

## Review of the Retail Tariff Instruction (“RTI”)

Consultation documents, responses of the Service Providers and response documents related to the proceeding for issuing the New Retail Tariff Instruction

(ref. Decision no. 3 of 2018 issued by the President of the CRA)

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# Review of the Retail Tariff Instructions for Individually Licensed Service Providers ("RTI")

Consultation Document

Response Date: April 12, 2018

CRARAC 2018/03/08

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# Part I. Consultation Provisions

## 1 Background

### 1.1 Introduction

1. In keeping with an open and transparent regulatory process, the Communications Regulatory Authority of the State of Qatar (“**CRA**”) herewith consults on a New Version of the Retail Tariff Instructions for Individually Licensed Operators in Qatar (“**New RTI**”) to replace – amongst others - the Retail Tariff Instructions issued on May 7, 2015 (ref. CRA 2015/05/07, “**Current RTI**”).
2. For the avoidance of doubt, the New RTI also replaces:
  - 2.1 The “Notice Revised Interim Rules for Retail Tariff Assessment”<sup>1</sup>;
  - 2.2 The Order setting forth the rules and instructions for on-net/off-net price differentiation for Dominant Service Providers in Qatar<sup>2</sup>; and
  - 2.3 The Annexures relating to Retail Tariffs of the Individual Licenses of all SPs were already replaced by the Current RTI (ref. clause 1.1 of the Current RTI).
3. The New RTI must be read in conjunction with other regulatory instruments under the Applicable Regulatory Framework (“**ARF**”), especially:
  - (a) The Statement of Competition Policy and Explanatory Document, dated October 21, 2015<sup>3</sup>; and
  - (b) The Telecommunications Consumer Protection Policy, issued in January 2014<sup>4</sup>.
4. The New RTI will be applicable to Individually Licensed Service Providers (“**SPs**” or “**Licensee**”) who offer retail Telecommunication Services to the public in the State of Qatar. This includes Dominant Service Providers (“**DSPs**”) and non-DSPs (“**non-DSPs**”), and pertains to the following licenses.
  - 4.1 Ooredoo Q.S.C.
    - Qatar Telecom (QTel) Q.S.C. Public Mobile License ICTRA 08/07A, dated October 7, 2007;
    - Qatar Telecom (QTel) Q.S.C. Public Fixed License, ref. ICTRA 08/07B, dated October 7, 2007;
  - 4.2 Vodafone P.Q.S.C.
    - Vodafone Qatar Q.S.C. Public Mobile License – Amended version, ref. ICTRA 03/09 dated February 26, 2009;
    - Vodafone Qatar Q.S.C. Public Fixed License, ref. ICTRA 02/10 April 29, 2010;
  - 4.3 Es’hailSat - Public Satellite Telecommunications Networks and Services License, ref. ICTRA 2013/10/07, dated October 07, 2013;
  - 4.4 QSAT - VSAT License, ref. ICTRA 12/10-2, dated December 22, 2010;
  - 4.5 RIGNET - VSAT License ICTRA 12/10-1, dated December 22, 2010,
  - 4.6 Harris Salam - VSAT License, ref. ICTRA 03/12, dated March 22, 2012;

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<sup>3</sup> Available at <http://cra.gov.qa/en/document/documents-related-cras-competition-framework>

<sup>4</sup> Available at <http://cra.gov.qa/en/document/consumer-protection-policy>

4.7 QNBN - Passive Fixed Telecommunications Networks and Services, ref. ICTRA 2012/07/22 as amended on June 11, 2013 and August 30, 2017.

## 1.2 Review of the Current RTI

5. Since the last review of the RTI, the CRA has issued relevant Regulatory Instruments, including the MDDD Notice and Orders (ref. CRARAC 09/05/2016 A, dated May 09, 2016) setting *ex-ante* obligations on DSPs<sup>5</sup>.
6. *Ex ante* regulation shall focus on markets where – amongst others - competition has yet to develop, while in competitive markets, regulation should be rolled back to allow *ex post* competition rules to be the mainstay of these markets. This has been clearly expressed in the Policy Statement Regulating for the future, issued in June 2014<sup>6</sup>.
7. Even in competitive markets, regulatory oversight cannot be rolled back entirely<sup>7</sup> and regulatory measures to establish transparency, clarity and effectiveness of the Tariffs are important to protect Retail Customers.
8. The following approach is applied by the CRA to review the Current RTI:
  - 8.1 Consultation on a set of relevant topics, including – amongst others – a taxonomy of Tariffs, non-discrimination obligations and an assessment of discounts (ref. Part II below);
  - 8.2 Consultation on the Draft of the New RTI – In order to provide visibility and clarity on how the rules will be implemented the CRA provides a draft of the New RTI in Part III below.
9. The changes proposed by the CRA for the New RTI have taken into account:
  - 9.1 The position of the CRA as presented to the SPs during the Workshop held on November 6, 2017 (provided as an attachment to the cover letter accompanying this Consultation Document (“CD”)); and
  - 9.2 Meetings held with Ooredoo, Qnbn and Vodafone on this matter.

## 1.3 Timeframe of the Review

10. Once comments on this CD are received, the CRA may decide to issue the New RTI with the steps and deadlines as shown in the Figure 1 below.

		Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18
A) Meetings with SPs	CRA to meet the SPs and discuss the principles of the Review											
B) CRA to issue the Consultation and hold an Industry Meeting	CRA to issue the consultation on scope and Principle of the RTI's Review and meet the SPs to provide clarifications											
C) SPs to respond to the Consultation	SPs to respond to the Consultation											
D) CRA to review the Responses and Issue a Response document	CRA to review the responses and summarize its position in a Response Document											
E) Issue the New RTI												

Figure 1: RTI – Timeframe of the Review – Indicative (Source: CRA)

11. Or, depending on the type and extent of comments received, the CRA may decide to undertake a second phase (Phase 2) of the consultation process, with the steps and deadlines as shown in the Figure 2 below.

		Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18
A) CRA to issue the Consultation, including a revised version of the RTI	CRA to draft and issue the Consultation on the New RTI											
B) SPs to respond to the Consultation	SPs to respond to the Consultation											
C) CRA to review SP's responses and Issue the New RTI, along with the Response Document	CRA to review the responses and issue the New RTI, along with the Response Document											

<sup>5</sup> Available at <http://cra.gov.qa/en/document/cra-publishes-market-definition-and-dominance-designation-mddd-review-2016>

<sup>6</sup> Available at <http://cra.gov.qa/en/document/policy-statement-regulating-future>

<sup>7</sup> This would especially be the case if there is not adequate measures in place to allow competition to develop in corresponding wholesale markets

## 2 Instructions for Responding to this Consultation

### 2.1 Consultation Procedures

12. SPs and other interested parties/stakeholders are invited to provide their views and comments on the consultation questions contained in this document (ref. Part II below) and a redline version of the Draft RTI proposed by the CRA (ref. Part III of this Consultation Document). General views and comments on the overall Consultation Document are also welcome.
13. The CRA asks that, to the extent possible, submissions are supported by relevant evidence.
14. Responses should include comments with regards to any proposed approach outlined in this CD by the CRA.
15. If a respondent is in disagreement with any proposed approach by the CRA, the respondent is requested to provide, in its response:
  - 15.1 The reasons for disagreement;
  - 15.2 Its alternative proposal in a clear and concise manner;
  - 15.3 All assumptions, relevant justifications and references of all data sources behind its alternative proposal.
16. Any submissions received in response to this CD will be carefully considered by the CRA. Nothing included in this CD is final or binding. However, the CRA is under no obligation to adopt or implement any comments or proposals submitted.
17. Comments should be submitted by email to [raconsultation@cra.gov.qa](mailto:raconsultation@cra.gov.qa), copying in Francesco Massone ([fmassone@cra.gov.qa](mailto:fmassone@cra.gov.qa)) and Stephen Nelson ([snelson@cra.gov.qa](mailto:snelson@cra.gov.qa)) before the date stated on the front cover. The subject reference in the email should be stated as “*Consultation on Retail Tariff Instructions – Phase 1*”.
18. It is not necessary to provide a hard copy in addition to the soft copy sent by email.
19. The deadline for all respondents to submit their comment is indicated on the cover page of this CD.

### 2.2 Publication of Comments

20. In the interests of transparency and public accountability, the CRA intends to publish the submissions to this consultation on its website at [www.cra.qa](http://www.cra.qa).
21. All submissions will be processed and treated as non-confidential unless confidential treatment of all or parts of a response has been requested.
22. In order to claim confidentiality for information in submissions that stakeholders regard as business secrets or otherwise confidential, stakeholders must provide a non-confidential version of such documents in which the information considered confidential is blacked out. This “blackened out” portion/s should be contained in square brackets. From the non-confidential version, it has to be clear where information has been deleted. To understand where redactions have been made, stakeholders must add indications such as “business secret”, “confidential” or “confidential information”.
23. A comprehensive justification must be provided for each and every part of the submission required to be treated as confidential. Furthermore, confidentiality cannot be claimed for the entire or whole sections of the document, as it is normally possible to protect confidential information with limited redactions.

24. While the CRA will endeavor to respect the wishes of respondents, in all instances the decision to publish responses in full, in part or not at all remains at the sole discretion of the CRA.
25. By making submissions to the CRA in this consultation, respondents will be deemed to have waived all copyright that may apply to intellectual property contained therein.
26. For more clarification concerning the consultation process, please contact Francesco Massone ([fmassone@cra.gov.qa](mailto:fmassone@cra.gov.qa)) or Stephen Nelson ([snelson@cra.gov.qa](mailto:snelson@cra.gov.qa)).

## Part II. Discussion on wider principles

27. Recently, the CRA and SPs have been discussing extensively<sup>8</sup> - amongst others - obligations related to discounts, non-discrimination and other relevant broader principles associated with Tariffs.
28. This part of the CD discusses these obligations and broader principles and requests SPs' comments. However, the proposed New RTI includes changes on topics additional to those discussed in this Part of the CD.
29. For the ease of reference, the following table serves as a summary of the most important Tariff processes as discussed in the course of this Consultation Document.

Type of SP	DSP				Non-DSP			
	Tariff type	GT&C	Standard Tariffs <sup>9</sup>	Non-Standard Tariffs		GT&C	Standard Tariffs	Non-Standard Tariffs
Below the Line Tariffs				Bespoke Tariffs	Below the Line Tariffs			Bespoke Tariffs
Filing need	Y	Y	n/a	Y	Y	Y	N	Y
Approval need	Y	Y	n/a	Y	Y	N	N	N
Publication	Y	Y	n/a	Y	Y	Y	N	Y
Monitoring	Y	Y	n/a	Y	Y	Y	Y	Y
Compliance	Y	Y	n/a	Y	Y	Y	Y	Y

Table 1 Summary of the Tariff processes (Source CRA)

## 1 Proposed taxonomy of the Tariffs

### 1.1 Introduction and summary

1. A clear taxonomy of Tariffs is needed to create a common understanding and to clearly define the obligations of SPs with respect to the Tariff process displayed in Table 1.
2. Article 1 of the By-Law defines Tariff as  
*any statement of prices, rates, charges or any other compensation including related service descriptions or terms and conditions such as rebates, waivers or discounts offered by a Service Provider regarding any of its services*
3. This definition does not differentiate Tariffs according to who the recipients of the offers are. For example, a Tariff could be addressed to all Retail Customers or to only a group of Retail Customers.
4. For the scope of the New RTI, the CRA proposes to use the following definitions, which are in our understanding in line with the type of Tariffs currently being offered by SPs:

Tariff Category	Definition	Examples	Tariff Type
General Terms and Conditions ("GT&C")	Describing terms and conditions applicable to a group of Tariffs.	For business Retail Customers For residential Retail Customers For all mobile plans or for all fixed plans	n/a

<sup>8</sup> Ref. to the Workshop Presentation attached to the cover letter accompanying this CD

<sup>9</sup> For the avoidance of doubt, Tariff specific T&Cs are part of the Tariff

Tariff Category	Definition	Examples	Tariff Type
Standard Tariffs (“ST”)	Tariffs made available by a SP to all Persons or a specified group of Persons.  A ST may e.g. include an – objectively justified - matrix of discounts, where the addressable Persons are clearly identified.	Offers available to the general population. The Tariffs are typically split in consumer and business Tariffs. • Prepaid mobile residential • Postpaid mobile business	• Permanent Tariffs • Promotional Tariffs • Loyalty Programs
Below the Line Tariffs (“BTLT”)	A Promotional Tariff, made available by a SP to a group of Retail Customers of negligible value and by their nature do not affect competition. They are also called “customer value management” offers.	“call for QAR 0.10 to India if you pay QAR 1 extra” “get QAR 10 top-up bonus if you top up with QAR 200 or more”	• Promotional Tariffs
Bespoke Tariffs (“BT”)	A Permanent Tariff made available by a SP to a specific Retail Customer or a specific group of Retail Customers and are as such not accessible to all Retail Customers.	• A mobile call plan for employees of a certain organization • A Tariff tailored towards Special Projects/Tender requirements	• Permanent Tariff

Table 2: Taxonomy of Tariffs for the scope of the New RTI (Source: CRA)

5. The Draft New RTI (ref. Part III below) are based on the taxonomy of Tariffs proposed above.

## 1.2 Types of Tariffs

### 1.2.1 General Terms and Conditions (“GT&C”)

6. These are the terms and conditions applicable for a group of Tariffs. In Qatar these are typically set for Residential and Business consumer like “General Terms and Conditions for Consumer Services” or “Master Services Agreement for Business”.

### 1.2.2 Standard Tariffs

7. These are Tariffs made available by a SP to all Persons or to a specified group of Persons. They follow the format as displayed in Annex IV Tariff Document - Template

8. Standard Tariffs can be:

- 8.1 Permanent Tariff - without an end date or lasting effectively for a longer time;
- 8.2 Promotional Tariff - with a duration of no longer than three months;
- 8.3 Loyalty Programs

Loyalty programs are promotions and incentives granted by SPs to customers depending on the Retail Customer’s usage patterns of the services.

The aim of such programs is to reward Retail Customers for their usage, which in turn can increase the Retail Customer’s loyalty.

They are in fact price discounts or post-sale rebates which allow the Retail Customers to earn “points” and redeem them by purchasing additional services from the SPs or goods from certain other companies who are linked to the loyalty program.

Ooredoo offers “Al Nokhba” and “Nojoom” Vodafone offers “Vodafone Points”.

Loyalty programs fall under the definition of Tariffs and are subject to the obligation on Tariffs as defined in the Current RTI. The CRA has confirmed this in previous Orders and communications to the SPs<sup>10</sup>.

9. The Current RTI also addresses Humanitarian Tariffs. These are Tariffs being offered by SPs for humanitarian or public emergency reasons in the event of a bona fide humanitarian disaster<sup>11</sup> and do not need to be approved.

Experience shows that these Tariffs are effectively mobile Promotional Tariffs. Therefore the CRA does not see the need to maintain a separate category.

## Projects and tender

10. Service Provider often provide services in a “project fashion”, including
  - 10.1 Services outside the scope of their Individual License (e.g. in-house cabling and the supply of IT and other telecommunications equipment e.g. PABX) and
  - 10.2 Telecommunication services, as per their Licenses.
11. For the telecommunications services, as part of such a “project bundle”, the rules of the New RTI will apply. This includes the filing (and for DSP, the approval) of Tariffs.

### 1.2.3 Below the Line (“BTLT”) Tariffs

12. BTLT Tariffs are non-Standard Tariffs, addressed to a group of Retail Customers, are of negligible value and are short term. They are Promotional Tariffs which by their nature do not affect competition.
13. The CRA considers a combined revenue of all BTLT in a month of less than 1% of the revenue of the Relevant Market as per the MDDD as a threshold.

The CRA considers 1% as a threshold with will not harm competition. The CRA is open to reasoned suggestions.

### 1.2.4 Bespoke Tariffs

14. These are permanent Tariffs, addressed to a specific Retail Customer or a group of Retail Customers only.  
For the avoidance of doubt, these must include any additional benefit granted to the Customers, such as handsets for free, Nojoom points, etc.

Question 1 Taxonomy of the tariffs - Do respondents agree with CRA's proposed taxonomy of the Tariffs?

## 2 Non-Discrimination Obligations

15. Non-discrimination has been recently discussed in-depth<sup>12</sup>.
16. The obligations regarding of non-discrimination are clear in the ARF:
  - 16.1 Article (44) of the Law states for DSPs  
*“Dominant service providers shall offer equivalent terms and quality of service for all customers including tariffs, and the CRA may permit differing terms if such terms are objectively justified*

10 E.g. Ref. a) Decision and Orders from the Supreme Council for Information and Communications Technology (“ictQATAR”), issued to Qatar Telecom QSC on March 6, 2013, on Nojoom rewards scheme “15,000 Nojoom points offer”; b) ictQATAR letter dated February 21, 2013 (ref. RA-ECLI/01-21 02 2013); c) ictQATAR letter dated October 5, 2009 (ref. RA-PETA/09-051009)

11 Ref. Current RTI, Annex V

12 Refer to the Workshop held on November 6, 2017. The presentation delivered by the CRA during the Workshop is attached to the cover letter transmitting this CD.



*based on differences in supply conditions including different costs, traffic volumes, or shortage of available facilities or resources.”*

- 16.2 Section 3.9 “Undue Discrimination” of the Current RTI, applicable to both DSP and non-DSP states that  
*“A SP shall not afford any undue preference to, or exercise undue discrimination against, a particular Person or Persons of any class or description. Notwithstanding the above, nothing in this provision shall be interpreted to prevent the Licensee from making offers to particular Customers or Customer groups where there is an objectively justifiable basis for such differential treatment.*
17. This means that SPs can offer Tariffs to a Retail Customer or group of Retail Customers only, if they can be **objectively justified**.
18. For what constitute an object justification please refer to the Workshop held on November 6, 2017<sup>13</sup> and to Section 3.5.3 of the Competition Policy Explanatory Document 2015 (ref. footnote 3 above).  
By the way of illustration, acceptable parameters for objective justification can include, amongst others, but not limited to:
- 18.1 Cost savings (for example, from reduced; bad debt, advertising costs, administration costs, purchasing costs, commissioning costs, network costs etc.);
- 18.2 Efficiency gains (for example, improved network utilisation, labour and/or capital productivity improvements, reductions in 'slack' etc.);
- 18.3 Economies of scale or scope (for example, reduced average fixed or variable cost, sharing of network infrastructure, purchasing economies etc.).
19. The Current RTI already obliges all the SPs to objectively justify Tariffs addressing specific conditions for Retail Customers or groups of Retail Customers (ref. Part III below, section 2.5).
20. The CRA is of the view that this obligation shall be implemented as described in the Draft New RTI (ref. Part III below).

Question 2 Non-discrimination - Do respondents agree with CRA’s understanding of the the ARF? If not, please provide explicit legal reasoning and the the relevant effects.

### 3 Discounts

21. The CRA welcomes discounts, as long are they are pro-competitive, non-discriminatory (ref. section 2 above) and follow the appropriate filing and approval process. However, practices where large corporate Retail Customers, and/or Retail Customers of other SPs are mainly being targeted for discounting leave a majority of small and medium enterprises (SMEs) outside the reach of reasonably products priced (for example, leased line). This is not considered as beneficial for the diversification of the Qatari economy enabling the growth of the wider ICT sector.

#### 3.1 Discounts offered by DSPs

22. Discounts are dealt with, inter alia, in
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<sup>13</sup> The presentation delivered by the CRA during the Workshop is provided to the SPs in attachment to the cover letter transmitting this CD.



- 22.1 Article 43 of the Telecommunication Law which prohibits DSPs from engaging in activities or conduct that constitute abuse of dominance:  
*The following conduct and activities, in particular, shall be considered as abuse of dominance:*  
 (a) *Offer on more preferential terms and conditions not based on differences in costs.*
- 22.2 The Licenses in Annex I (3.4. Anti-competitive Discounts) which state:  
*A DSP will not offer a significant discount from the price of any public telecommunications service, not justified by any objective factor, that has the effect of foreclosing another licensed service provider from a significant portion of any public telecommunication services market. In particular, the service provider will not offer:*
- *loyalty discounts, in which the service the provider offers a discount on the condition that the customer not purchase service from another service provider;*
  - *volume discounts based on a customer's total expenditure, but that are applied only to charges for public telecommunication services that are subject to effective competition; or*
  - *selective discounts that are available only to customers that have the greatest ability to switch to alternative suppliers.*
- 22.3 Article (4.3.1) of the Current RTI which states that DSPs must be able to objectively justify all discounts. This objective justification must be a part of the Tariff Filing prior to launch for all Tariffs.
23. This means that a DSP needs to objectively justify its discounts. What this effectively means for the Tariff filing process is further discussed in Part III below.

### **3.2 Discounts offered by Non-DSPs**

24. The Current RTI states in Article 3.9  
*"A SP shall not afford any undue preference to, or exercise undue discrimination against, a particular Person or Persons of any class or description. Notwithstanding the above, nothing in this provision shall be interpreted to prevent the SP from making offers to particular Customers or Customer groups where there is an objectively justifiable basis for such differential treatment."*
25. This is a reflection of the previous provision in Annexure D of the Licenses  
*"... In addition, the Licensee shall ensure that with respect to the application of any discount or promotional schemes offered or granted to any Customers or potential Customers, the Licensee shall not afford any undue preference to, or exercise undue discrimination against, a particular Person or Persons of any class or description. Notwithstanding the above, nothing in this provision shall be interpreted to prevent the Licensee from making offers to particular Customers or Customer groups where there is an objectively justifiable basis for such differential treatment."*
26. This means that also a non-DSP needs to objectively justify its discounts. What this effectively means for the Tariff Filing process is further discussed in section 3 above and in Part III below.

Question 3      Discounts - Do respondents agree with CRA's understanding of the ARF? If

not, please provide explicit legal reasoning and the the relevant effects.

### 3.3 Discount Matrix

27. The CRA is open to SPs offering discounts to specified Retail Customers or group of Retail Customers as part of Standard Tariffs under a “Matrix of Maximum Permissible Discounts” (“**Discount Matrix**”).

28. An illustrative example of a Matrix can be seen in Table 3 below:

Criteria- QAR Spent	Maximum Discount	Objective Justification
1-100K	5%	Cost Savings <sup>14</sup>
101-200K	10%	Efficiency Benefits
201-300K	15%	Scale Economies
301K+	20%	Capacity utilization

Table 3 Illustrative Example of a Discount Matrix (Source: CRA)

29. Information to be provided to support the Matrix must include:

- 29.1 Retail Customers, or group of Retail Customers this discount applies to;
- 29.2 The range of discounts being offered;
- 29.3 The criteria for Retail Customers obtaining the discounts contained in the Matrix;
- 29.4 An objective justification for the discounts;
- 29.5 Evidence that the discounts are not anticompetitive, e.g. not below cost, no margin squeeze, no cross-subsidy, etc.

30. This would be published as part of the Standard Tariffs, to inform Retail Customers of the potential to obtain a discount.

Question 4 Discount Matrix - Do the respondents agree with CRA's proposal?

### 3.4 Discounts in bundled services

31. Bundled discounts occur when a multi-product SP offers a bundle of products at a lower price than when the individual products are purchased on a stand-alone basis. Bundles reduce the effective price that buyers face. There are typically two types of bundling:

- 31.1 Pure bundling - where products are only sold in the bundle and not separately; and
- 31.2 Mixed bundling - where Retail Customers could purchase the bundled products separately

32. Bundling would be a concern to the CRA where:

- 32.1 The SP has market power in one or more Relevant Markets to which the bundled products belong to; or
- 32.2 A Telecommunications Services in the bundle is not offered independently; or
- 32.3 The bundle cannot be replicated by a competing SP (e.g. no wholesale offer in place); or
- 32.4 There is no objective cost justification for the discounted price of the bundle (e.g. objective justification are economies of scope); or
- 32.5 The price of the bundle is below the combined cost of the individual services within the bundle.

33. Subject to the concerns above being met, a SP may offer a bundled services.

Question 5 Bundled Services - Are there any considerations the CRA needs to make

14 The CRA would require a more comprehensive description that his of the actual cost savings with evidence from the DSP's RAS.

## 4 Availability of wholesale enablers

34. Regional best practice shows that the approval of DSPs' Tariffs is linked to the availability of corresponding wholesale enablers, e.g. Reference Offers.<sup>15</sup>
35. The CRA is considering to introduce similar provisions in the New RTI to tackle potential abuse of a DSP who is dominant in both a wholesale market and in a downstream or related adjacent market.
36. In particular, refusal of a DSP to provide access to a facility or a network where access to that facility or network is essential to enable competition in the relevant (downstream) market is an example of exclusionary and exploitative behavior which could amount to an abuse of a dominant position<sup>16</sup>.
37. In order to enable the orderly development of especially the fixed markets, the CRA see tremendous merits to include this requirement in the approval process for Tariffs of DSPs.

Question 6 Wholesale Enablers – Are there any further considerations the CRA needs to take into account ?

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15 e.g. Oman - Article 7 of the tariff regulation: The Dominant Licensee shall, at the time of submitting an application of Tariff for Approval, prove to the Authority that other licensees have been, or shall be, provided with corresponding wholesale services, where applicable, at fair and reasonable commercial terms, to enable those licensees to replicate the Tariff of Dominant Licensee.

e.g. Bahrain 3.2 of the tariff regulation A Notifying Operator that has been determined by the Authority to have a Dominant Position in a wholesale market(s) and is required to prepare a reference Interconnection or Access offer for such products in accordance with Article 57 of the Telecommunications Law, must, when notifying the Authority of a new Controlled Tariff for a Retail Telecommunications Service that is vertically-related to that wholesale market, provide a corresponding Wholesale Telecommunications Service in the vertically related upstream market(s) to allow other Licensed Operators to replicate the Controlled Tariff of the Notifying Operator.

16 Ref. to section 3.5.1 of the Competition Policy, Explanatory Document, dated October 21, 2015

# Part III. New RTI – DRAFT for consultation

## 1 Introduction

### 1.1 Objective and Scope

38. This Retail Tariff Instruction (“**RTI**”) sets out the procedures and requirements that apply in relation to the retail Tariffs under the Applicable Regulatory Framework (“**ARF**”).
39. This Instruction applies to Individually Licensed Service Providers (“**SPs**” or “**Licensees**”) who offer retail telecommunication services to the public, including Dominant Service Providers (“**DSP**”) and non-DSPs.
40. This RTI comes into effect immediately.
41. This Instruction applies to Tariffs, defined in accordance with the Individual Licenses and the Executive By-Law to mean:  
*“any statement of prices, rates, charges or other compensation of any form (including related service descriptions or terms and conditions such as rebates, waivers or discounts) offered by a Service Provider regarding any of its services”*
42. Wholesale Tariffs or charge controls for wholesale Tariffs fall outside the scope of this RTI.
43. This RTI must be read in conjunction with the ARF, including amongst others
- 43.1 The Statement of Competition Policy and Explanatory Document, dated October 21, 2015<sup>17</sup>;
- 43.2 The Telecommunications Consumer Protection Policy, issued in January 2014<sup>18</sup>; and
- 43.3 The Code on Advertising, Marketing and Branding (ref. CRA-CGA/1305/14/ng, issued on September 25, 2014)<sup>19</sup>.
44. This RTI replaces
- 44.1 The previous versions of the RTI
- 44.2 The “Notice Revised Interim Rules for Retail Tariff Assessment”<sup>20</sup>
- 44.3 The Annexures relating to Retail Tariffs of the Individual Licenses of all Services Providers; and
- 44.4 The Order setting forth the rules and instructions for on-net/off-net price differentiation for Dominant Service Providers in Qatar dated 15 May 2011 (ICTRA 2011/05/15).
- 44.5 The Annexures relating to Retail Tariffs (Annexure D) of the Individual Licenses.

### 1.2 Background

45. This RTI has been developed by the Communications Regulatory Authority (“**CRA**”), following a consultation process started in March 2018.
46. As Tariff proposals differ and evolve, this RTI shall not be considered as exhaustive: it provides guidance on how the CRA intends to proceed with Tariff approvals. In the

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<sup>17</sup> Available at <http://cra.gov.qa/en/document/documents-related-cras-competition-framework>

<sup>18</sup> Available at <http://cra.gov.qa/en/document/consumer-protection-policy>

<sup>19</sup> Available at <http://cra.gov.qa/en/document/code-advertising-marketing-and-branding>

<sup>20</sup> RA-ASG/02-281211

event the CRA adopts an approach which is materially different from this RTI, due notice and explanation will be provided to SPs.

## 2 Legal Basis

### 2.1 The Telecommunications Law issued by Decree No. 34, 2006 (“Telecommunications Law”) as amended by Law No. 17 of 2017

47. Articles 4(4) and 4(8) which allow the CRA to set and enforce appropriate remedies to prevent SPs from engaging in or continuing anticompetitive practices and empowers the CRA to safeguard the interests of Customers, including setting rules for Tariff regulation.
48. Article 26 empowers the CRA to determine the elements necessary for the provision of Tariff offers, their approval and publication in respect to Telecommunications Services. The CRA may also set out other rules for regulating prices and Tariffs including the implementation of any program for rate rebalancing or price cap.
49. Article 28 states  
*“Dominant service providers must submit to the CRA the offers for the tariffs, prices and charges of the telecommunications services in the markets where they have been designated as dominant service providers and obtain the prior approval for them.”*
50. Article 31 states  
*“The dominant service provider must not apply or change any tariffs, prices or charges or any other consideration that are contrary to the tariffs approved by the CRA. Any agreement or arrangement between the service provider and the Customer to the contrary is prohibited.”*
51. Article 44 states  
*“Dominant service providers shall offer equivalent terms and quality of service for all customers including tariffs, and the CRA may permit differing terms if such terms are objectively justified based on differences in supply conditions including different costs, traffic volumes, or shortage of available facilities or resources. This prohibition shall also apply between customers who obtain a service for resale to their end customers. The dominant service provider must submit to the CRA sufficient justifications regarding any discrimination and must cease the discrimination upon receipt of a notice in this regard from the CRA.”*
52. Article 51 (1) states  
*“The service provider must provide the consumer, before the consumer subscribes to the service or before the consumer incurs any commercial obligation to the service provider, with the terms of the service and any other terms and conditions and all tariffs, rates and costs applicable to any telecommunications service.”*
53. Article 51 (2) states  
*“The service provider shall not charge a consumer except the service fee specified to telecommunications or the specified fee*

*for telecommunications equipment ordered by the consumer. The consumer shall not be liable to pay any fee for any service or equipment relating to telecommunications that the consumer has not ordered.”*

## **2.2 The Executive By-Law of 2009 for the Telecommunications Law (“By-Law”)**

54. Article 1 defines the Tariff  
*“any statement of prices, rates, charges or other compensation of any form (including related service descriptions or terms and conditions such as rebates, waivers or discounts) offered by a Service Provider regarding any of its services”).*
55. Article 6 empowers the CRA to take measures, actions and decisions, as it deems appropriate to ensure that Individual Licensees and SPs comply with the provisions of the law, the By-law and the provisions of the Individual Licenses or to remedy their breaches.
56. Article 54 provides that the CRA shall have the authority to review all SP Tariffs, including wholesale and retail Tariffs, and to determine any requirements regarding Tariffs, their approval and publication, and the CRA may issue regulations or orders to regulate the Tariffs of SPs.
57. Article 56, applicable to DSPs, states  
*“Tariffs that are subject to filing with and approval by the CRA shall enter into force only after they have been approved by a decision from the CRA.”*
58. Article 57 requires the DSP to publish on its website the tariff filed from the date in which it is filed to the date in which it is approved.
59. Article 58 states  
*“Tariffs charged by a Dominant Service Provider to other Service Providers shall be filed with and subject to approval by the CRA in accordance with Article 29 of the Law and Article 56 of this By-Law and the terms of the License. Those tariffs must also comply with the orders issued by the CRA.”*
60. Article 75 states  
*“Dominant Service Providers are prohibited from undertaking any activities or actions that abuse their dominant position. In addition to the conduct and activities specifically identified in Article 43 of the Law, the CRA may prohibit any other action or activities engaged in by a Dominant Service Provider that the CRA determines to have the effect or to be likely to have the effect of substantially lessening competition in any telecommunications market.”*

## **2.3 Emiri Decree No. (42) Of 2014 Establishing the Communications Regulatory Authority (“Emiri Decree”)**

61. Article 4 of the Emiri Decree makes the CRA responsible for regulating the communications information technology and the post sector, as well as access to digital media, with the aim of providing advanced and reliable telecommunication services across the State.
62. Article 4(1) empowers the CRA to set Regulatory frameworks for the communications, information technology, the post sector, and access to digital media, in line with the general policies of the sector and to enable optimum performance.

63. Article 4(2) charges the CRA with actions finalized to encourage competition and prohibit or minimize anti-competitive practices, prevent misuse by any person or entity of its market dominance position, and take all necessary measures to achieve this.
64. Article 4(4) requires the CRA to protect the rights and interests of the public and Service Providers in the market, promote transparency and provide advanced, innovative and quality services at affordable prices to meet the needs of the public.
65. Article 4(5) burdens the CRA with actions to grant access to services across the State and ensure comprehensive access to basic services.
66. Article 15(2) requires the CRA to develop appropriate tariff regulations, giving priority to the telecommunications market, or telecommunications services according to market requirements, and determine fees for retail and wholesale.

## 2.4 The Individual Licenses issued to Service Providers

67. Clause 3 of the Individual Licenses authorizes the SPs to provide the specified telecommunications networks and services in accordance with the terms and conditions of the Individual Licenses and its annexures, relevant legislation, international treaties, and any regulations, including instructions issued by the CRA before or after the effective date of the Individual Licenses. Accordingly, the CRA may from time to time issue additional requirements as part of the terms and conditions of the Applicable Regulatory Framework (ARF) which are binding on the SPs.
68. Clause 10<sup>21</sup> of the Individual Licenses provide obligations of the SP to Retail Customers. This includes stipulations regarding compliance, billing, and suspension of Mandatory Service.
69. In addition the Licenses require the SPs to:
  - 69.1 Provide services to the Retail Customers in accordance with terms and conditions that comply with the Applicable Regulatory Framework, including, among other things, the tariff procedures<sup>22</sup>;
  - 69.2 Comply with all decisions and regulations issued by the CRA including but not limited to those governing pricing and tariffs<sup>23</sup>;
  - 69.3 Not engage in any anticompetitive practices that prevent, hinder or substantially lessen competition, as stipulated in the Applicable Regulatory Framework, including the provisions of Annexure I of their Licenses<sup>24</sup>.

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<sup>21</sup> Or Clause 9, depending on the License

<sup>22</sup> Article 10(1) of Ooredoo, Vodafone, Es'hailSat Licenses; Article 9(1) of Qbn License; Article 9 of Harris Salam, QSAT, and Rignet Licenses

<sup>23</sup> Article 14(1) of Ooredoo, Vodafone, Es'hailSat Licenses; Article 13(1) of Qbn License; Article 12(1) of Harris Salam, QSAT, and Rignet Licenses

<sup>24</sup> Article 14(3) of Ooredoo, Vodafone, Es'hailSat Licenses; Article 13(3) of Qbn License; Article 12(3) of Harris Salam, QSAT, and Rignet Licenses



## 2.5 Summary of the key obligations

70. The table below summarizes key obligations of the SPs regarding Retail Tariffs in accordance with the ARF.

This summary section has been included for the ease of reference for the consultation process and may be omitted from the final RTI in order not to hamper the flow of reading.

Obligation	Source of the Obligation	Applicable to	
		DSPs	Non-DSPs
Non-Discrimination (unless objective justification)	Law: Article (44) Prohibition of Unjustified discrimination	Y	n/a
	By-Law: (-)	(-)	(-)
	Individual Licenses	(-)	(-)
	Current RTI (Article 3.9)	Y	Y
Filing of the Tariffs with the CRA	Law: Article (28) Submission of Tariff Offers and Prior Approval	Y	(-)
	By-Law: Article (54) – Authority of the CRA to request filing	Y	Y
	Individual Licenses:	(-)	(-)
	Current RTI (Article 3.2)	Y	Y
Approval of CRA before making the Tariffs available to the Retail Customers	Law: Article (28) Submission of Tariff Offers and Prior Approval	Y	N
	By-Law: Article (56)	Y	N
	Individual Licenses:	(-)	(-)
	Current RTI (Article 4.1.2)	Y	n/a
Publication of Tariffs	Law: none	(-)	(-)
	By-Law: Article (57)	Y	N
	Individual Licenses	(-)	(-)
	Current RTI (3.3)	Y	Y

Y yes

N no

n/a not applicable

(-) not included

Table 4: Key obligations of SPs regarding retail Tariffs (Source: CRA)



### 3 General Provisions for all Service Providers

- 71. Except where explicitly stated otherwise, this section sets out provisions for all SPs.
- 72. SPs shall comply with all provisions of this Instruction and with the ARF, including any regulatory instruments issued by the CRA relating to Tariffs.

#### 3.1 Tariffs – general provisions

- 73. All Telecommunications Services<sup>25</sup> must be offered pursuant to a Tariff.
- 74. If a filing to the CRA is required (ref. Table 5 below), the Offer of a SP must be documented in a Tariff Document (ref. Annex IV below).
- 75. The SP consents to the CRA publishing on its website, a compilation of or links to the Tariffs offered by the SP, in order to facilitate access to, comparison of and understanding of the terms under which telecommunications services are available by the SPs.

#### 3.2 Tariffs – taxonomy

After having concluded the consultation and received the inputs we will copy the relevant content of Part II 1 Proposed taxonomy of the Tariffs

#### 3.3 Tariffs - filing

- 76. The SP must make available to the CRA for its review all and any Tariffs as per Table 5 below.

For the avoidance of doubt, this includes amongst others, but not limited to:

- 76.1 This includes proposed/new Tariffs, modifications/changes to existing Tariffs or withdrawal of Tariffs
- 76.2 Framework agreements, discount schemes, bonus schemes and loyalty programmes;
- 76.3 Bespoke Tariffs. e.g. offered within Tenders<sup>26</sup>, such as Project Business;
- 76.4 The Tariffs for services rendered to customers outside of Qatar (e.g. roaming and calling cards).

Tariff Category	Types of Tariffs	Filing obligation	
		DSP	Non-DSP
General Terms and Conditions (“GT&C”)	n/a	Y	Y
Standard Tariffs (“ST”)	Permanent Tariffs	Y	Y
	Promotional Tariffs	Y	Y
	Loyalty Program	Y	Y
Below the Line Tariffs (“BTLT”)	Promotional Tariffs	(n/a)	N
Bespoke Tariffs (“BP”)	Permanent Tariffs	Y	Y

Table 5: Tariffs to be filed with the CRA

<sup>25</sup> As defined by the By-Law, these entails any form of transmission, emission or reception of signs, signals, writing, text, images, sounds or other intelligence provided by means of a telecommunications network to a third party.

<sup>26</sup> These are formally offers for carrying out works, supplying goods, etc. They could be within a formal or informal bid process.

77. Below the Line Tariffs (“**BTLT**”), which are expected to be put forward only by non-DSPs<sup>27</sup>.

BTLTs are excluded from the filing obligation for non-DSPs, as this may cause an excessive burden on the SPs as these Tariffs are not designed to affect competition. SPs are obliged to keep a register of the BTLT Tariffs. The Register must include at least the service, the categories of recipients of the Tariffs, the charges/discounts/other benefits granted to the recipients, the duration of the promotion and evidences to demonstrate that the Tariff is compliant with the threshold of the

78. SPs must ensure that:

- 78.1 Tariffs are filed in accordance with this Instruction;  
78.2 Tariffs are documented in accordance with the template set out in Annex IV Tariff Document - Template.

- (a) For new Tariffs the SP must submit a Tariff Document;  
(b) For modifications/changes to existing Tariffs the SP must submit a Tariff Document in Track Change Mode.

The Tariff Document must be submitted in a PDF and Word format;

**Tariff Modification**

Experience has shown, that it's easier and requires less administrative effort to submit a track change version of a Tariff Document. Therefore the CRA proposes to dispense with the “Tariff Modification Form”.

79. Any substantial reduction of the benefit of the contract or service to the Retail Customer or any substantially increase of the burden of the Retail Customer must be objectively justified to as part of the Tariff filing.

This applies specifically to a price increase or a restriction / limitation on the use of the service.

80. If a proposed Tariff includes any discount, the Tariff filing must include objective justification.

81. SPs must ensure that Tariff Documents:

- 81.1 Are written in plain language, clear, legible and easily understood by a typical consumer;  
81.2 Contain any and all of the SP's proposed prices or modifications thereto (including any discounts and promotions), a clear statement of the applicable prices and the units to which they apply, rounding practices, use of increments, and any schemes involving rebates, discounts, waivers or free items ;  
81.3 Contain and fully disclose in detail the terms and conditions that identify, among other things, the products and services on offer, related products and services, objectives of the offer, whether it is a promotion or a readjustment, minimum commitment periods or minimum volumes, cancellation policies, special considerations, the period of the Tariff, and any other elements of the offer that are material to the service provided and the consideration to be paid;  
81.4 Include any charges for equipment not otherwise subject to Tariff control but which are included as part of the service offered; and  
81.5 Contain the relevant marketing names of the Tariff or Offer.

82. The terms and conditions of the Tariff must identify, among other things, the products and services on offer, related products and services, objectives of the offer, whether or not it is a promotion or a readjustment, a clear statement of the applicable prices and the units to which they apply, rounding practices, use of increments, any minimum commitment periods or minimum volumes, cancellation policies, special considerations, the period of the Tariff, and any other elements of the offer that are material to the service provided to the Retail Customer and the consideration to be paid.

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<sup>27</sup> Given its very high market shares, Ooredoo has no incentive to put forward these Tariffs in the fixed relevant markets.

- 82.1 Where required, all calculations and explanatory documents must be submitted with the Tariff filing. All calculations must be in Excel format and well documented;
- 82.2 All Tariff submissions and related notification must be sent to the mailgroup [tariffs@cra.gov.ga](mailto:tariffs@cra.gov.ga).
83. Upon request by the CRA, SPs must provide accurate information relating to any Tariff, including costs, revenues, terms and conditions and methods of composing the Tariff. Requested information must be accurate and delivered within the timeline specified by the CRA.
- This may include reports, to e.g. demonstrate that Relevant Markets as defined by the MDDD<sup>28</sup> are above cost.
84. A request for information will reset the applicable Review Period for approval of the Tariff (ref. section 4.2 below). This fresh Review Period shall commence upon receipt of the requested information.
85. Information may be exchanged in a Tariff meeting which may alter the CRA's understanding of a Tariff. This information does not need to be re-submitted in a formal filing but should be captured in appropriate minutes drafted by the CRA. The minutes are deemed approved after 2 working days from the date the minutes have been shared with the SP.
86. Any request for the extension of a deadline must be accompanied by a convincing justification and filed at least five working days before the expiry of the original deadline.<sup>29</sup>
87. In case SPs are uncertain regarding the contents of a filing, e.g. a cost justification or the objective justification of a discount, the CRA welcomes a meeting prior to the filing in order to ease the process.

### 3.4 Tariffs – approval

88. Explicit approval by the CRA is required as per Table 6 below. This includes new Tariffs, modifications/changes to existing Tariffs and withdrawal of Tariffs.

Tariff Category	Types of Tariffs	Tariff approval	
		DSP	Non-DSP
General Terms and Conditions ("GT&C")	n/a	Y	Y
Standard Tariffs	Permanent Tariffs	Y	N
	Promotional Tariffs	Y	N
	Loyalty Program	Y	N
Below the Line	Promotional Tariffs	(n/a)	N
Bespoke Tariffs	Permanent Tariffs	Y	N

Table 6: Tariffs requiring explicit approval by the CRA

<sup>28</sup> MDDD Notice and Orders, CRARAC 09/05/2016 A, dated May 09, 2016

<sup>29</sup> Article (129) Telecommunication By-Law: The Information Request shall specify the data that is required, identify the proceeding and purpose for which the data is being collected, and indicate the time period within which the information must be supplied to the General Secretariat. The General Secretariat may extend the deadline for the submission of part or all of the information requested if the recipient of the Information Request provides a convincing justification, in writing, at least five (5) working days before the date on which the information is due.

### 3.5 Tariffs – publication

89. The following Tariffs must be published by the SP as per Table 6 above. This includes new Tariffs, modifications/changes to existing Tariffs and withdrawal of Tariffs.

Tariff Category	Types of Tariffs	Tariff publication	
		DSP	Non-DSP
General Terms and Conditions (“GT&C”)	n/a	Y	Y
Standard Tariffs (“ST”)	Permanent Tariffs	Y	Y
	Promotional Tariffs	Y	Y
	Loyalty Program	Y	Y
Below the Line Tariffs (“BTLT”)	Promotional Tariffs	(n/a)	N
Bespoke Tariffs (“BT”)	Permanent Tariffs	Y	Y

Table 7: Tariffs which must be published by the SP

The publication of Bespoke Tariffs is necessary in order to inform customers and ensure non-discrimination.

90. For postpaid Retail Customers, the SP must state clearly on the first page of the invoice

- 90.1 For DSPs:

*The underlying Tariff has been explicitly approved by the Communications Regulatory Authority on //date//. The underlying regulatory Tariff documentation //Tariff Number and name// can be found on //insert weblink to the regulatory page of the SP//.*

- 90.2 For non-DSPs:

*The underlying Tariff has been filed with the Communications Regulatory Authority on //date//. The underlying regulatory Tariff documentation //Tariff Number and name// can be found on //insert weblink to the regulatory page of the SP//.*

Having discussed with customers, it appears that retail customers are not fully informed on the nature of the CRA's role. The measure described will increase the transparency.

### 3.6 Tariff – changes – information of Retail Customers

91. SPs must ensure that the following Tariff changes are successfully communicated to affected customers at least 30 calendar days prior to the change taking effect:

- 91.1 Changes to the T&Cs;
- 91.2 Withdrawal of Tariffs and forced migration;
- 91.3 Reduced benefit or increased burden (price increase); or
- 91.4 A price decrease that is a consequence of a reduction in capacity, performance or quality.

The CRA is cognizant that the CPP in Art 24 has a time period of 21 days. This will be harmonized in the next version of the CPP to also state 30 calendar days.

92. For avoidance of doubt, these Tariff changes must be approved by the CRA before being introduced by the SPs.

### 3.7 Promotional offers

93. SPs must:

- 93.1 Limit promotions to a maximum of three months;
- 93.2 Ensure that Promotional Offers do not tie or lock-in Retail Customers to long-term contracts;

- 93.3 Ensure that the maximum contract period applicable, following an acquisition promotion, is the Minimum Service Period (ref. 3.10 below) established by the CRA for Consumers and Business Retail Customers.
94. SPs must ensure that promotions are not repeated for the same Tariff until 6 months after the promotional offer has expired. This applies to the underlying Tariff item or items that is/are subject to the initial promotion (i.e. at destination level, mobile data or connection charge).
95. Overlapping promotions, i.e. where a Tariff item is affected (reduced) more than once due to the effect of a promotion are not permissible.

### 3.8 Non-discrimination

96. A SP shall not afford any undue preference to, or exercise undue discrimination against, a particular Person or Persons of any class or description. For the avoidance of doubt, this applies to DSPs and non-DSPs.
97. Notwithstanding the above, nothing in this provision shall be interpreted to prevent the SP from making offers to particular Retail Customers or groups of Retail Customer, where there is an objectively justifiable basis for such differential treatment.
98. SPs must submit sufficient justification for any discriminatory practice on a case by case basis and must cease the discriminatory conduct once directed by the CRA.
99. Non-discrimination also means, that the charge for a Retail Customer to change from, for example, 10Mbps to 100Mbps must be the same as the charge for a Retail Customer to change from, for example, 100Mbps to 10Mbps unless there is an objective cost justification for a different price. Therefore, any differentiation in price between upgrading and/or downgrading a service must be objectively justified. Without an objective justification, based on cost, the CRA may consider a higher downgrade charge as a “penalty” to subscribers and request that the SP remove such a penalty.

### 3.9 Discounts

100. Discounts must be objectively justified as part of the Tariff filing. This applies to both, DSPs and non-DSPs.
101. This means that discounts are only permitted if they are objectively justified.
102. Hence discounts offered to customers but not approved by the CRA (“**Illegal Discount**”) shall be phased out.

Discounts on existing Tariffs for the Education sector were to be phased out by 1st January 2016. The Current RTI permitted discounts for the Qatar Society for Rehabilitation of Special Needs under the provision that the SP will each January the SP will submit a service-uptake report. As the CRA has not received such a report, these offers are apparently not used. In order to streamline the RTI, the CRA has deleted this provision.

In order to not unduly disadvantage the Customers, the Customer may benefit from the contract until its expiration date, but not longer than 12 months from the issuance of this RTI.

For the avoidance of doubt, this means that the Discount must cease either after the expiry of the contract or after 12 months of the issuance of this RTI, whichever comes first.

The Discount cannot be renewed, and the Customer must be subject to the relevant approved Tariff.

### 3.10 Minimum service period, commitment period and cancellation policy

- 103. SPs are subject to the Minimum Service Period of no longer than three months unless an objective justification is provided demonstrating the reasons why it is necessary to require a longer minimum service term.
- 104. In the event a Retail Customer wishes to cancel the subscribed service within the Minimum Service Period, SPs are entitled to collect the fixed monthly charges for the Minimum Service Period (except in case of contract change as per Paragraph 91).
- 105. SPs must not provide any additional benefit for an extended contract period and Retail Customers must be entitled to terminate the service subscribed to after the Minimum Service Period without any penalty/payment.

### 3.11 Minimum Validity Period of Credit

106. SPs must ensure the Minimum Validity of credit as follows:

Credit	Duration	Explanation
Less than or equal to QAR 10	30 days or longer	Including, but not limited to, pre-paid products vouchers, top up credit.
Standard credit validity	6 months or longer	

- 107. Tariffs which include specific bundles of minutes/messages/data allowance must specify the period for which the included bundle remains valid, i.e. a monthly package of 10 min for 1 QAR per month must specify whether the 10 minutes will expire after one month, roll over to the second, third etc. month and then expire or continue rolling over as long as the Retail Customer subscribes to the plan.

### 3.12 On-net/off-net pricing differentials

- 108. In the absence of an objective justification for on-net/off-net pricing differentiations, SPs must not apply any on-net/off-net price differentiation. This means that a unit of service, which includes voice and video calls, SMS, MMS and other services, made from the SP network to another SP’s network must be charged at the same amount as a unit of service inside the SP’s network. This also means that if units of service (e.g. call minutes) are included in a permanent bundle, these call minutes must be available on-net and off-net.

### 3.13 Handsets and CPEs

#### 3.13.1 Handset subsidy and SIM locking

- 109. SPs shall not subsidize devices or engage in “SIM locking”. SPs are free to sell devices on an instalment or amortized basis and unbundled from Telecommunications Services. This can be achieved by e.g. a separate contract being taken out for an expensive device and paid for in periodic arrears. This contract must not be bundled with the underlying telecommunication service.

SPs are therefore not permitted to:

- 109.1 Subsidize any mobile device;
- 109.2 “Lock” a device so that it can only be used with the SP’s own SIM cards.

#### 3.13.2 Network specific CPE subsidies

- 110. SPs may provide equipment necessary for the provision of services (as an integral part of the service) and which are not available in the open market without a separate charge. This would typically include devices such as an Optical Network Terminal for fiber broadband.

### 3.13.3 Non-Network specific CPE

111. SPs must include the price of any CPE in a Tariff that is provided to Retail Customers free of charge but which may be charged for if the Retail Customer cancels within the minimum service period and fails to return the CPE.

### 3.14 Easy To Remember Numbers

112. SPs are entitled to charge for “easy to remember” (ETR) / “premium numbers” on condition that all charges will go entirely to charities / Corporate Social Responsibility (CSR) purposes.

The SPs must maintain a record of this at all times for audit purposes by the CRA.

### 3.15 Geographic Differentiation of Charges

113. Unless specifically approved by the CRA, SPs must provide uniform pricing all over Qatar.

For the avoidance of doubt, this includes Promotional Offers and potential “cell based charging”.

## 4 Provisions specifically for DSPs

114. The following provisions are additional to those included in section 3 above.

### 4.1 Tariffs – filing

115. Tariffs that contain any service or service element that falls within a Relevant Market in which the SP has been designated as dominant have to be filed and explicitly approved by the CRA in advance of being made available on the market.

116. DSPs are obliged to file their proposed Tariffs as listed in Table 5 above.

117. The DSPs is required to submit a Tariff Document as per Annex IV, for its proposed Tariffs.

118. The Tariff filing must be accompanied by a cost justification, demonstrating the absence of anti-competitive conduct<sup>30</sup>, which includes e.g. pricing below cost<sup>31</sup>; cross subsidizing,<sup>32,33</sup> predatory pricing;<sup>34</sup> excessive pricing<sup>35</sup>, a price-margin

The CRA has discussed the various requirements regarding cost justification with Ooredoo in length in the past. The CRA will apply the same standards with the New RTI.

30 E.g. Article (43)6, 7 and 9 of the Telecommunications Law. Under these provisions, it is prohibited for a DSP to supply competitive telecommunications services at prices below long run incremental costs or any other cost standard specified by CRA. In addition, Article (43) of the Telecommunications Law states specifically: 6 - Supplying competitive telecommunications services at prices below long run incremental costs or any other cost standard specified by the General Secretariat. 7- Using revenues or transferring a part of cost of a specific telecommunications service to subsidize another telecommunications service supplied 9- Performing any actions that have the effect of substantially lessening competition in any telecommunications market. Also ref. to Competition Policy - Explanatory Document dated October 21, 2015, Section 2 and 3

31 ibid

32 Law (43) 7- using revenues or transferring a part of cost of a specific telecommunications service to subsidize another telecommunications service supplied by a service provider except where such subsidy is approved by the General Secretariat;

33 Licenses - Annexure I 3.7 Unless approved by the Supreme Council, the Licensee will not use revenues from the provision of telecommunications networks, network elements, facilities or services that are not subject to effective competition, or transfer a part of the cost of a telecommunications network, network element, facility or service, to cross-subsidize the price of any telecommunications network, network element, facilities or related services that are subject to effective competition.

34 Ref. to Competition Policy - Explanatory Document dated October 21, 2015, Section 3.5.10 Predatory pricing

35 Article (29) of the Telecommunications Law. The tariff for telecommunications services provided by dominant service providers must be based on the cost of efficient service provision and the tariff must not contain any excessive charges which result from the dominant position that the service provider enjoys.



squeeze<sup>36</sup> bundling or tying<sup>37</sup>.

This will include at a minimum

- (a) Revenue information – a detailed breakdown of the revenue components (e.g. connection, subscription, usage) of the Offer, including the number of Retail Customers supposed to subscribe the Tariff; and
- (b) Cost Information - a detailed breakdown of the cost components (e.g. network, retail, termination etc.) of the offer.

Any cost information shall be based on a reliable source such as the approved Regulatory Accounting System. The cost information must be based on the applicable cost base and cost standard as approved by the CRA.

In the absence of reliable cost the CRA may chose appropriate proxies and benchmarks.

119. The Tariff filing must also include proof that the DSP has provided or will be providing the corresponding wholesale service(s) to enable other SPs to replicate the Tariff of the DSP.

The CRA considers this measure as necessary to ensure the development of the over marketplace. This provision is well established in other jurisdiction (e.g. BH, UAE)

## 4.2 Tariffs - review and approval

### 4.2.1 Tariff Review

120. The CRA will verify that the Tariff Document is consistent with the requirements of the RTI and the ARF.

In addition, the CRA will verify, that the proposed Tariff has neither now nor in the future, potentially anticompetitive effects. This will be mostly based on the figures on record (e.g. the Regulatory Accounting System, the MDDD reporting, etc.) and the cost justification submitted by the SP as part of the filing (ref. para 118).

### 4.2.2 Approval of the proposed Tariffs submitted by DSPs

121. Once a complete Tariff filing has been received, the CRA will have 10 working days to (a) approve or (b) object to the Tariff or (c) extend the period for review.
122. If the CRA decides that an extended review of a proposed Tariff is necessary, it will notify the SP in writing and will specify the procedures and timetable for the Tariff review, including any consultation or other relevant process with respect thereto, in accordance with the ARF or as determined by the CRA.
123. If the CRA declines to approve a proposed Tariff, it will inform the SP of the reasons for such decision in writing.
124. The CRA may request further information from the DSP in relation to the Tariff filing in writing. A request for further information, including meetings to discuss the Tariff filing, will stop the 10-day countdown. The 10-day countdown will start with day 1 once the additional information has been received by the CRA in its complete form as requested by the CRA.
125. In order to ensure development of all market participants, the CRA will not approve a Tariff, where the DSP was required to put forward wholesale enablers in the upstream markets<sup>38</sup>

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36 Ref. to Competition Policy - Explanatory Document dated October 21, 2015, Section 3.5.2 Margin Squeeze

37 See: Section 3.5.7 of the Competition Policy - Explanatory Document 2015

38 Similar provision is implemented in Bahrain (ref. Article 3.2 of the Retail Tariff Notification Regulation, dated 21 February 2010) and Oman (ref. Article 7 of the Retail Tariff Regulation, dated April 2016)



126. The CRA will also not approve Tariffs, where an underlying Tariff (e.g. GT&Cs or a Loyalty Scheme) has not been approved.
127. A Tariff approval will be considered void if the Tariff is not introduced in the market within 3 months. A new Tariff filing will be required after this period.
128. If concerns regarding a Tariff arise after it has been introduced in the market, the CRA may initiate an ex-post review of the Tariff.

### **4.3 Bundles**

129. DSPs must ensure that any Tariff filing involving bundled serviced, the Tariff identifies the separate charges or other Tariff elements that are applicable to each part of the bundled service or combination of services pertaining to the bundled Tariff package. Typically, any bundle offered by the DSP must be capable of being replicated by other SPs. Accordingly, DSPs must
  - 129.1 ensure that wholesale products are offered to other SPs that enable the provision of the same services (as the DSP);
  - 129.2 demonstrate that other SPs can replicate a bundled offer using either its own network or wholesale products currently provided, by the DSP.
130. The DSP may be required by the CRA to offer the service elements of the bundle separately.

## **5 Provisions specifically for non-DSP**

131. The following provisions are additional to those included in section 3 above.

### **5.1 Tariffs - filing**

132. Non-DSPs are obliged to file the Type of Tariffs listed in Table 5 above.
133. Non-DSPs must file the Tariff sending an email to tariffs@cra.gov.qa at the day the Tariff is introduced into the market at the latest, including the Tariff Document as per Annex IV.

### **5.2 Tariffs - review**

134. The CRA will verify that the Tariff Document is consistent with the requirements set out in the ARF, specifically with sections 3.3.
135. Once a complete filing has been received, the CRA will have 10 working days to (a) approve or (b) object to the Tariff and order its suspension, modification or withdrawal, or (c) extend the period for review.
136. If the CRA decides that an extended review of a proposed Tariff is necessary, it shall notify the SP in writing and shall specify the procedures and timetable for the Tariff review, including any consultation or other relevant process with respect thereto, in accordance with the ARF or as determined by the CRA.
137. If the concerns are not addressed to the CRA's satisfaction, the CRA may request that the non-DSP withdraws the Tariff.
138. If after launch there are concerns that the tariff does not adhere to the ARF the CRA may initiate an ex-post review of the Tariff.

### **5.3 Tariffs – approval**

139. With the exception of GT&C Tariffs of non DSPs are not subject to explicit approval by the CRA.
140. For GT&C the filing and approval process follows the DSP process.

## 6 Compliance, monitoring, enforcement and review

### 6.1 Compliance

141. The SP must comply fully with any and all procedures related to Retail Tariffs as established in the ARF.

### 6.2 Monitoring

142. The CRA will monitor that the compliance of the SPs with this RTI, specifically but not limited to, against the following criteria:
- 142.1 Introduction of Tariffs neither filed nor approved nor published by the SPs in the market;
  - 142.2 Introduction of discriminatory Tariffs, without an objective justification;
  - 142.3 Consistency of the published Tariff Documents with those filed for / approved by the CRA;
  - 142.4 Failure in communicating any Tariff modification<sup>39</sup> to affected Retail Customers at least 30 days prior to the change taking effect;
  - 142.5 Refusal to provide required information; and
  - 142.6 Delays in submitting required information.
143. Monitoring will be carried out, specifically but not limited to, through
- 143.1 checking the section of SPs' website where the commercial offers and Tariff Documents are published;
  - 143.2 review of the completeness of the required information; and
  - 143.3 investigations performed by the CRA.

### 6.3 Enforcement

144. In the event of non-compliance, it shall result in one or a combination of the following enforcement provisions as stipulated under the Telecommunication Law:
- 144.1 Invoking the provisions of chapter sixteen (16) of the Law, whereby the SP shall be subject to criminal prosecution as a form of punishment for non-compliance with the relevant provisions of the Law and its license; and
  - 144.2 Invoking the provision of Article 62-bis of the Telecommunication Law, whereby non-compliance is punishable with the imposition of one or more of the administrative penalties that are set out in Schedule 1 of the Law.
145. In addition to the above, the CRA shall take adequate actions to protect the Customers, including but not limited to:
- 145.1 Issuance of an Order to officially withdraw the Tariff, which could for a number of reasons ranging from misleading published GT&C to failure to file the Tariff prior to its introduction; compensation to the affected Customers shall be also required;
  - 145.2 Issuance of an Order obliging the SPs to provide illegal Telecommunications Service for free to affected Customers until the expiry date of the contract.

### 6.4 Review

This Instruction may be reviewed by the CRA from time to time to ensure it remains relevant to developments in the market.

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<sup>39</sup> this includes, Changes to the T&Cs, a price increase; (monthly charge, one-off fees etc.) or a price decrease that is a consequence of a reduction in capacity, performance or quality.

## Annex I Glossary, acronyms and abbreviations

The terms, words and phrases used in this RTI shall have the same meaning as are ascribed to them in the ARF unless this RTI expressly provide for otherwise, or the context in which those terms, words and phrases are used in this RTI require it.

ARF	Applicable Regulatory Framework - has the meaning given to it in the Individual Licenses held by the Service Providers
BT	Bespoke Tariffs
BTLT	Below the Line Tariffs
CD	Consultation Document
CPE	Customer Premise Equipment
CPP	Consumer Protection Policy
CRA	Communications Regulatory Authority
Customer	means any subscriber or user of telecommunications services, whether such services are acquired for the customer's own use or for resale (ref CPP)
Day	Refers to a working day and not calendar day, unless specifically mentioned
DSP	Service Providers who have been designated as dominant
Executive By-Law	Executive By-Law for the Telecommunications Law 2009
GT&C	General Terms & Conditions
Individual License	A License granted to a particular person in accordance of the provisions of chapter three of the Telecommunications Law
License	has the meaning given to it in Article 1 of the Telecommunications Law
Licensee	has the meaning given to it in Article 1 of the Telecommunications Law
MDDD	Market Definition and Dominance Designation
Minimum Service Period	means the minimum contracted period agreed to by a Customer for telecommunications services from a Service Provider, after which no fees are payable for the termination of the contract by the Customer (ref CPP)
Permanent Tariff	A Telecommunications Service having a specific Tariff which is intended to be available to Customers on a non-time limited basis
Promotional Tariff	A Telecommunications Service having a specific Tariff which is intended to be available to customers on a time limited basis. In the case of a DSP this refers to a time period of over 3 months.
Public Emergency Tariff	A Tariff offered for humanitarian reasons.
RAS	Regulatory Accounting System
Relevant Market	As defined by the MDDD process

Retail Customer	means any Customer that acquires the relevant telecommunications service for his / her own use and does not include a reseller of that telecommunications service (ref CPP)
Retail Offer	means a current, mass-market, retail telecommunications service that is available for consumer subscription and includes, without limitation, such offers as advertised (ref CPP)
RTI	Retail Tariff Instructions
Service Provider	has the meaning given to it in Article 1 of the Telecommunications Law
SIM	Subscriber Identity Module
SP	Service Provider = Licensee
ST	Standard Tariffs
Tariff	any statement of prices, rates, charges or other compensation of any form (including related service descriptions or terms and conditions such as rebates, waivers or discounts) offered by a Service Provider regarding any of its services.
Telecommunications Services	Any form of transmission, emission or reception of signs, signals, writing, text, images, sounds or other intelligence provided by means of a telecommunications network to a third party offered to the public

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# Annex IV Tariff Document - Template

## General Tariff Information

Service Provider Name	Name of Service Provider
Tariff Number	A unique number for identifying this Tariff (To be created by the Service Provider)
Marketing Name of the Offer	Generic name (e.g. post-paid mobile) and/or brand name (e.g. Shahry)
Relevant Markets	The Relevant Market(s) in which the Tariff will be offered according to the MDDD (ref. section 1.2 above)
Tariff Type	Consumer or Business
Tariff Effective Date	Availability to customers
Tariff Version Number	To be created by Service Provider (promotions are suffixed)

## Tariff Details

Definitions	Definitions of terms used in this Tariff document
Tariff Terms and Conditions	Service specific terms and conditions
Service Description	A clear product description of the Service being offered with respect to what the Tariff proposes to deliver to Customers
Features*	
Charge Rates*	
Service Provider obligations	Which are not included in the SP's General Terms and Conditions, such as service availability and limitations – availability, maximum downtime, mean-time-to-repair, quality of service, speed, throughput, technical and geographical limitations.
Customer obligations	Which are not included in the SP's General Terms and Conditions
Equipment and technical interfaces [for Business Tariffs only]	Equipment owned/leased and supplied by the Service Provider, equipment provided by the customer, service demarcation point, standards/specifications of service interfaces.
Service Level Agreement [for Business Tariffs only]	Including measurable QoS Parameters. For example, service availability and limitations – availability, maximum downtime, mean-time-to-repair, quality of service, speed, throughput, technical and geographical limitations.

## Tariff Version Control

Tariff Version Number	Approval Date	Effective Date	Tariff Modifications
1.00	11 Aug 2008	18 Aug 2008	New Tariff
1.01	01 Sep 2008	10 Sep 2008	Local call price increase (4.1)
1.01a	06 Oct 2008	09 Oct 2008	July promotion for 8 weeks

\* For the ease of administration, those two sections can be combined by the SP

\*\*\* End of document \*\*\*

**NON CONFIDENTIAL VERSION**



**Ooredoo Response to Consultation on “Review of the Retail  
Tariff Instructions for Individually Licensed Service  
Providers,” dated “08 March 2018”**

Communications Regulatory Authority Reference [CRARAC 2018/03/08]

Ooredoo reference: [OQ-5226/2018]

[12 APRIL 2018]



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## 1. Introduction and Summary

### Introduction

- 1.1 Ooredoo thanks the Communications Regulatory Authority (CRA) for allowing Ooredoo to provide feedback to its consultation regarding the 'Review of the Retail Tariff Instructions for Individually Licensed Service Providers,' (hereinafter referred to as the Consultation Document).
- 1.2 As we believe that the implications of the proposals in the consultation are significant and of broad consequence, we have elected to present a comprehensive response that covers the general approach as well as the specific provisions rather than simply responding to each of the questions posed in the consultation.
- 1.3 Ooredoo's responses are fundamentally based on the theory that regulation should be crafted to facilitate the development of new products and services and not create downward incentives for innovation and competition. That is to say that regulations should balance the tradeoff between their desired benefits and their negative effect on business creation and economic growth.

### Background

- 1.4 Ooredoo expected that the CRA's consultation to review the Retail Tariff Instructions (RTI) 2015 was to lift any tariff regulations for competitive markets and to streamline regulations going forward so as to promote investment in the delivery of new networks and services to keep pace with growing consumer demand that continues to outpace forecasts for digital media consumption. Instead, the CRA's proposals keep old burdens and introduce new obligations for tariff regulation that:
  - Increase the regulatory burden of both the CRA and Qatar's telecommunications service providers (SPs) that hold an Individual license even for markets that have been declared 'competitive'
  - Prescribe regulations for issues that fall outside the legal parameters of tariff regulation
  - Propose new remedies that either cannot be found elsewhere or where they have been found, they have not achieved the desired result.

1.5 One of the fundamental features of modern legal and regulatory telecommunications frameworks is the dynamic interplay between:

- Ex-ante regulation--the application of regulations in advance to control potential anti-competitive behavior before it occurs and
- Ex-post regulation-- applying enforcement action in response to anti-competitive behavior after it has occurred.

1.6 It is widely accepted that where markets become competitive, regulators reduce and or eliminate their application of ex ante regulation and rely more on market outcomes. At the same time, they become more active in their application of ex post enforcement of anti-competitive behaviors. Ooredoo concurs with the CRA’s statement included in Section 1.2 of the Consultation Document that says,

*“ex ante regulation should focus on areas where competition has yet to develop while in competitive markets, regulation should be rolled back to allow ex post competition rules to be the mainstay of these markets.”*

This statement is further supported by the CRA’s June 2014 Policy Statement Regulating for the Future. With respect to tariff regulation, the application of this approach means that regulations should be rolled back for the competitive markets in Qatar defined in the CRA’s MDDD Notice and Orders (ref. CRARAC 09/05/2016). Accordingly, the CRA’s proposals to increase the regulatory burden on the regulator and on all SPs in competitive as well as non-competitive markets is contrary to international best practices and the CRA’s own stated objectives.

1.7 Ooredoo desires to lead not follow. Our business strategies are not developed so as to be on par with our regional counterparts—they position us to be a leader of nations. We challenge the CRA to do the same by looking beyond regulatory practices in the GCC to embrace ones that facilitate large scale investment, promote fair competition and protect consumers. Reliance on ex post investigations as opposed to ex ante regulations is an essential component of forward looking, growth enabling regulatory regimes. Whereas the ex-ante approach is likely to serve as a barrier or bottleneck to sector growth, an ex post regime facilitates real time industry response to increasing consumer demand for new and better services.

## Summary

1.8 Ooredoo does not support the changes to the RTI 2015 as envisioned in the Consultation Document that we find:

- Unduly burdensome for all parties
- Contrary to international best practices and the CRA’s own stated objectives
- Are not supported by Qatar’s legal framework for the telecommunications sector
- Counterproductive to competition and investment.

1.9 Ooredoo also finds that the CRA has not substantiated its rationale for the proposals, referring mainly to positions it has presented as part of workshops or meetings with service providers. It has also not provided any evidence of the potential benefit to consumers resulting from the implementation of the proposals that could be used to offset the significant costs that will be incurred by service providers in order to comply.

1.10 In terms of next steps, we request that the CRA publish all responses to the Consultation Document on its website to promote a fully transparent process. We believe that a second phase in which the CRA publishes its draft decision with reasoning is essential considering the potential impact it will have on market development, customer benefits and Ooredoo’s ability to compete. In the meantime, Ooredoo invites the CRA to a workshop where we will discuss our future service roadmap and business processes related to agreeing contracts that do not lend themselves to the complicated nature of tariff approvals and matrix discounts as envisioned by the CRA’s proposals to revise the RTI 2015.

1.11 We also propose that the CRA organize an industry workshop where service providers can discuss some of the RTI 2015 requirements which remain as part of the new proposals to examine their useful purposes, relevance to current market conditions and investigation as to whether they will serve as barriers to innovative service provisioning going forward. These provisions include for example, regulations restricting the ability to repeat offers for 6

months, minimum service periods of only 3 months for both consumer and business markets, minimum validity periods, requirements for separate contracts for handsets and geographic charges among others.

## 2. Legal Basis for the Proposals

### Background

- 2.1 The legal authority for regulatory powers as they relate to the development, implementation and enforcement of a telecommunications instrument is defensible based on whether it can be supported under the relevant legal framework. Ooredoo’s review of the CRA’s two and half pages of the Consultation Document discussing the legal basis for ‘retail’ tariff regulation finds that many of the CRA’s references do NOT provide a legal authority relevant to retail tariff regulations. For example, the CRA has included legal references pertaining to wholesale regulation, billing practices, consumer protection, competition, numbering, universal service, digital media etc....Although Ooredoo does not argue that the CRA has regulatory powers in these areas, retail tariff regulation should be concerned with just that--retail tariff regulation. Moreover, there is no legal authority that can be interpreted under the law to extend the specific powers afforded for retail tariff regulation to an all-encompassing regulatory instrument. These powers are afforded to ‘Executive Bylaws,’ which are already in place.
- 2.2 Ooredoo therefore recommends that the CRA limit its section on ‘legal basis’ to refer to its specific authority under the law to regulate retail tariffs. We found in our research that regional as well as regulators outside the region follow this approach. By limiting this section to the specific authority to regulate retail tariffs, the CRA will improve the overall flow of the document and clarify its focus.

### Specific

- 2.3 Specific proposals that are entirely misplaced under the umbrella of retail tariff regulation as per Qatar’s legal framework include proposals requiring all:

- SPs to file and get approval for General Terms and Conditions (GT&C) under a Taxonomy of Tariffs or any other aspect of tariff regulation. GT&Cs do not meet the definition of a tariff which is concerned with a charge and therefore cannot be regulated as a tariff. An approval of a tariff also cannot be made subject to the approval of GT&C under Qatar’s legal framework for the sector as there is no legal basis for this linkage.
- SPs to change their billing invoices to reference the CRA’s role in the tariff approval process. This requirement is more typical of billing practices and guidelines.
- SPs to donate any revenues earned from the customer leasing of Easy to Remember Numbers to charity. Numbers are regulated under numbering policies and plans.
- DSPs to provide proof of corresponding wholesale offers in order to get approval for retail tariffs. There are no references that substantiate this reference under the law.

2.4 Ooredoo discusses these proposals in more depth below. However, as there is no legal basis for including any of the above proposals as part of tariff regulation, these proposals must be removed and addressed through the appropriate regulatory instrument where and only if needed to correct any market imbalances.

### 3. Specific response to the consultation questions

#### **Question 1: Taxonomy of the Tariffs- Do respondents agree with the CRA’s proposed taxonomy of the Tariffs?**

3.1 The CRA proposes to classify a list of tariffs to create a common understanding and to define the obligations of SPs with respect to the tariff process. Ooredoo finds the proposal confusing and without merit for the following reasons:

- The CRA has included an SP’s General Terms and Conditions (GT&Cs) as part of this ‘taxonomy’ and includes GT&C as a type of tariffs under Section 1.2.1 of the document. As GT&Cs do not meet the definition of a tariff as described in the Bylaws which indicate that a tariff is chiefly

concerned with prices, rates and charges, we cannot understand why the CRA has included them as part of a taxonomy of tariffs or is even discussing them under a retail tariff regulation. GT&Cs are not tariffs and any reference to them as part of a retail tariff instruction is misplaced.

- The CRA considers that a standard tariff is synonymous with tariffs for permanent, promotional tariffs and for discounts and loyalty programs as part of its taxonomy. The impact of this proposal is that it increases the regulatory burden of service providers as the proposed grouping of terms now means that SPs would have to file, justify, publish their loyalty and discount programs and get approval where they are a DSP. Ooredoo does not see the merit in this proposal. The likely outcome is that SPs may decide not to offer discounts or loyalty programs in order to avoid this regulatory obligation, which would be a negative outcome for consumers.
  - The CRA’s proposed definition of a bespoke tariff is that it is a permanent tariff, and a permanent tariff is also a standard tariff in the same taxonomy. To add to the confusion, bespoke tariffs are described as not accessible to all retail customers which is contrary to the CRA’s existing (see Glossary, RTI 2015) definition of a standard tariff that is defined as “a tariff that is available to all customers.” Ooredoo argues that these classifications are not workable. A bespoke tariff is not typically described as a standard tariff nor is it necessarily permanent. The CRA has also not provided any supporting rationale for why it needs to increase its regulatory oversight in this area. For example, how will regulations that compromise business opportunities particularly for a DSP benefit consumers? For instance, the obligation to file, get approval for and publish a bespoke tariff or project bundle will ensure that Ooredoo does not succeed in winning business opportunities for special projects that demand 7 day contract issue closures and confidentiality of terms.
- 3.2 In summary, Ooredoo cannot agree with the CRA’s proposed taxonomy of tariffs which it finds to be adding to the confusion of tariff regulatory processes, increasing the regulatory burden of SPs without justification, and impacting Ooredoo’s ability to fairly compete in the marketplace.



**Question 2: Non-discrimination-Do respondents agree with CRA’s understanding of the ARF? If not, please provide explicit legal reasoning and the relevant effects.**

3.3 Ooredoo agrees that the legal framework as provided in Article 44 of the Telecoms Law and Section 3.9 and in the RTI 2015 allow both DSPs and non-DSPs to provide services on a discriminatory basis where they can be objectively justified. We do not agree however that the objective justification should be required as part of a tariff approval process regardless of whether a service provider is dominant or non-dominant. Furthermore, there is no provision in the Telecoms Law, Bylaws or Individual license that requires the justification of discriminatory pricing discounts before offering them to customers. We also are not aware of this regulatory practice elsewhere or in the GCC. As such, we ask the CRA to provide its supporting rationale for such a proposal that identifies its economic merits.

3.4 The RTI 2015 requires DSPs but not non-DSPs to objectively justify all discounts as part of a tariff filing prior to launch. This requirement is out of place in an industry where decisions must be made quickly and according to external schedules and requirements. For example, potential customers seek discounts as part of negotiations for special projects, tenders, and increased spend. Decisions in this regard must be made quickly often within 7 days or less. Ooredoo cannot meet customer demand for discounts based on a CRA prior approval process and as a consequence will lose out on business opportunities as discussed above. Furthermore, following the industry-wide trends<sup>1</sup>, in response to increasing demand for digital services of the “generation now” customers, Ooredoo has made significant investments to facilitate delivery of real time offers and discounts based on customers’ usage/preferences. The restrictions proposed by the CRA contradict the general industry trend, are bound to undermine the functionality built by Ooredoo, and hence, will result in the waste of investment, reduction of customer benefits and impair overall growth of the telecom sector in Qatar, despite the fact that the CRA was endowed with objectives to achieve just the opposite. This is yet another case in which SP’s are striving to reverse negative telecom revenue trends in Qatar, but the CRA’s regulatory actions are aimed at doing just the opposite (another case is the ongoing

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<sup>1</sup> For current industry trend refer to e.g. How telecom companies can win in the digital revolution <https://www.mckinsey.com/business-functions/digital-mckinsey/our-insights/how-telecom-companies-can-win-in-the-digital-revolution>



consultation on wholesale charges in which the CRA proposes setting certain termination rates that will have a substantial negative impact on total revenues and margins in Qatar). Ooredoo recommends that any regulatory requirements for the objective justification of discounts be done on an ex-post basis. This will ensure that SPs maintain the ability to respond in real time to customer demand for discounted services—enhancing the welfare of the customers as well as enabling an SP to protect its revenue base. We also propose that setting a cost-based threshold is a superior mechanism for avoiding anti-competitive discounts with enforcement through ex-post investigations.

- 3.5 Furthermore, the CRA parameters for objective justification, as we discuss below, must be clearly defined in its regulatory instruments so they are transparent. SPs cannot be expected to infer what is required as a result of workshops or other informal communications. Ooredoo recommends that these parameters be reasonable, straight forward and non-discriminatory to facilitate responses to ex-post requests and avoid arbitrary decision making.
- 3.6 Additionally, Ooredoo comments that CRA additional proposals in this area that do not allow discounts to be renewed and define the time period of discounts, effectively limiting them to the contract period—typically 3 months—or after 12 months of the issuing of the RTI whichever comes first has no apparent economic merit. We ask the CRA to provide a justification for this artificial regulatory condition that negatively affects the welfare of our customers.

*Note on the use and economic effects of price discrimination*

- 3.7 The CRA in Section 17 of the Consultation Document states: “...SP can offer Tariffs to a Retail Customer or group of Retail Customers only, if they can be objectively justified.” The CRA’s general prohibition of price discrimination (identical with the requirement of primarily cost-based justifications for each case of price differentiation<sup>2</sup>) that it has adopted in the consultation overlooks the realities of the current widespread use of price discrimination

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<sup>2</sup> Note that by essential economic principle any price differential that is justified by differential in costs does not represent price discrimination.

in telecommunications and neglects the essential economic benefits of this commercial pricing practice. Moreover, the CRA's position in this regard also contradicts its own up to date regulatory practices w.r.t. price discrimination as reflected by the past regulatory tariffs approvals.

- 3.8 Traditional economic analysis concludes that in situations where the prevalent technology involves no economies of scope and constant or decreasing returns to scale "setting prices at marginal cost" (i.e. no price discrimination) is both economically viable and the likely outcome of competitive forces. In this context any price deviating from marginal cost would be considered discriminatory. However, many industries involve technologies that exhibit increasing returns to scale, large fixed and sunk costs, and significant economies of scope. As concluded by the investigation by Varian<sup>3</sup>:

*"i) efficient pricing in such environments will typically involve prices that differ across consumers and type of service; (ii) producers will want to engage in product and service differentiation in order for this differential pricing to be feasible; and, (iii) differential pricing will arise naturally as a result of profit seeking by firms. It follows that differential pricing can generally be expected to contribute to economic efficiency."*

...

*"The evidence shows that differential pricing is ubiquitous in industries that exhibit large fixed or shared costs. This is true for industries that are highly concentrated and industries that are highly competitive... If there are large fixed costs, and low marginal costs, differential pricing may be required for a producer to be economically viable."*

- 3.9 Note that Varian uses the term differential pricing to denote discriminatory pricing that is the pricing, which is based on the differences in a customer's willingness to pay rather than in differences in costs to serve different customers.<sup>4</sup>

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<sup>3</sup> Varian, H. (1996), "Differential Pricing and Efficiency", First Monday, Volume 1, Number 2-5. Available at <http://firstmonday.org/htbin/cgiwrap/bin/ojs/index.php/fm/rt/prINTERfriendly/473/394>

<sup>4</sup> Following discussion is largely based on Varian (1996).

- 3.10 Telecommunications services typically involve large fixed costs, low marginal costs, and significant shared costs. If such services are required to be provided to a large number of diverse users, and costs are to be covered without the use of externally provided subsidies, the discriminatory pricing is likely necessary to achieve the economically efficient outcome. Forcing a policy of flat pricing in an industry where it is inappropriate due to the nature of the technology may well have perverse consequences.
- 3.11 As demonstrated by Varian, price discrimination is a common practice in industries with large fixed costs and small marginal costs such as publishing, airlines, and telecoms. Indeed, current pricing portfolios of telecommunication services by SP’s in Qatar are built on the principle of price discrimination. For example, all current Ooredoo’s postpaid Shahry packs represent a viable example of discriminatory pricing whereby customers consuming higher service volumes get charged lower per unit price. This differential pricing cannot be justified by the differences in service costs (as profit margins differ across individual Shahry packs), instead it reflects difference in demand (willingness to pay) of different customers and hence represent a case of discriminatory pricing. We note that the CRA has never requested Ooredoo to provide specific justifications for price discrimination employed in Shahry pack designs (according to criteria outlined in section 18 of the RTI Consultation Document) other than proof that Shahry pack prices are set above the costs. Indeed, any modern portfolio of telecommunications tariffs represents the holistic scheme of price discrimination aimed at maximizing customer consumption and producer profits.
- 3.12 Moreover, in certain cases regulators themselves impose specific types of price discrimination, for example in the form of free calls to emergency services, discounts to retirees or the educational sector, recognizing the social and economic benefits of such specific pricing policies. The imposition of uniform pricing on its own may represent a case of price discrimination when the underlying cost of providing the service varies across customers (e.g. when the cost of Ooredoo’s access line is smaller for a customer living in central Doha than for a customer living in Al Ruwais, charging these two customers uniform price represents discriminatory pricing). We note that as part of the Consultation Document, the CRA also recognizes the increasing benefits of discriminatory pricing as it articulates a need for specific leased line product pricing for SME customers that reflects demand / willingness to

pay characteristics of this customer segment rather than the difference in cost to serve this customer segment.

3.13 Indeed price discrimination has been recognized by academic economists as a means to enhance overall welfare / market efficiency in terms of stimulating demand, leading to the increase in service quality (and hence customers’ surplus) and stimulating investments.<sup>5</sup> While the regulatory framework in Qatar lags behind these new developments in economics, other regulators have recognized these benefits of price discrimination and only intervene in the cases where they have evidence of any anti-competitive effects.

3.14 Consider for example the Ofcom’s Undue Discrimination Guidelines. In the UK telecommunications firms who have been designated to have significant market power are required to not “unduly discriminate”. In 2005 Ofcom issued guidelines<sup>6</sup> setting out how it would investigate alleged contraventions of this requirement. The main point of interest for present purposes is how Ofcom defines “undue discrimination”<sup>7</sup>:

*“...undue discrimination describes when an SMP provider does not reflect relevant differences (or does not reflect relevant similarities in) the circumstances in the transaction conditions it offers, **and where such behavior could harm competition.**”[emphasis added]*

This means that for discrimination to be “undue” it must also have the potential to harm competition - discrimination in and of itself is not enough. This is consistent with the preceding discussion that price discrimination can be pro-competitive and welfare enhancing.

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<sup>5</sup> For relevant academic research refer e.g. to Takeshi Ikeda and Tsuyoshi Toshimitsu (2010) “Third-degree price discrimination, quality choice, and welfare”, *Economic Letters*, Volume 106, Issue 1, January 2019, Pages 54-56, and Alexei Alexandrov and Joyee Debb (2012) “Price discrimination and investment incentives”, *International Journal of Industrial Organization*, Volume 30, Issue 6, November 2012, Pages 615-623.

<sup>6</sup> Ofcom, *Undue discrimination by SMP providers: How Ofcom will investigate potential contraventions on competition grounds of requirements not to unduly discriminate imposed on SMP providers*. 15 November 2005. Available at [https://www.ofcom.org.uk/\\_data/assets/pdf\\_file/0021/46038/contraventions4.pdf](https://www.ofcom.org.uk/_data/assets/pdf_file/0021/46038/contraventions4.pdf)

<sup>7</sup> Ibid para 3.5

3.15 This two-pronged definition guides the test which Ofcom will use in an investigation<sup>8</sup>:

- *To begin with Ofcom will consider whether differences in transaction conditions (e.g. the product, its reliability, timing of provision, information about the product) offered to two customers reflect relevant differences in the customers’ circumstances; or*
- *Ofcom will consider whether any relevant similarities in customer’s circumstances are reflected in transaction conditions offered to two customers.*

*Following either of these questions, Ofcom will consider the capability of any differences (or similarities) in transaction conditions that are not objectively justified by relevant differences (or similarities) in the customers’ circumstances to harm competition.*

3.16 Thus under the Ofcom investigation approach, discrimination can occur by offering different terms to customers in similar circumstances, or by offering the same terms to customers in different circumstances. Furthermore, once discrimination is determined to have occurred, it is only “undue” if it harms competition.

3.17 By insisting on the price differential to be justified primarily in terms of differences in costs (cost saving or some form of gained cost efficiencies), the CRA effectively prohibits any price differentials based on the differentials in customers demand characteristics. This approach therefore prohibits any economic gains to be had from price discrimination as outlined above.

3.18 Moreover there are several reasons why the CRA’s proposed approach for justification of price differentiation is likely to fail in practice:

- 1) We note that even academic economists fail to agree on the right proof of no price discrimination. As discussed by Anderson and Renault (2011)<sup>9</sup>: there are two main ways that prices and costs could be compared to determine whether or not prices are discriminatory: “Stigler (1987)”<sup>10</sup>

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<sup>8</sup> Ibid para 1.8

<sup>9</sup> Anderson, S. P. and Renault, R. (2011), “Price Discrimination”, in Handbook in Transport Economics, De Palma, A., R. Lindsey, E. Quinet and R. Vickerman.

<sup>10</sup> Stigler, G. (1987), *The Theory of Price*, MacMillan.

*proposed comparing the ratio of the prices of two services with the ratio of their marginal production costs. By this criterion, a situation is discriminatory if the two ratios are unequal. Philips (1983)<sup>11</sup> on the other hand proposes comparing absolute differences. Then prices are discriminatory if the difference in marginal costs is not equal to the difference in prices.”*

Anderson and Renault then note that it is hard to choose between either definition and that they can lead to similar conclusions: *“It is difficult to find a decisive argument for one definition over the other. Both definitions indicate that prices can be discriminatory even if price differences are small, just as it can be discriminatory if price differences are large.”* This fact indicates that any justification of price differential can lead to a protracted ex-ante approval process ultimately based on the discretionary decision of the CRA.

- 2) In the absence of a precise justification criteria, an SP will not be capable of producing a justification that will guarantee the CRA’s approval. This may lead to arbitrary and likely discriminatory decision making by the CRA in favor of Ooredoo’s competitor(s) rather than protecting the competition process.
- 3) The CRA’s pre-approval process as suggested in the Consultation Document has no time limit. The requirement to submit each case of differential pricing for a preapproval will impact overall market dynamics to the detriment of the end user and wider economy (slower innovation and protracted product development).

3.19 Therefore we suggest that the CRA focus only on the potential anti-competitive aspects that could be associated with the price discrimination. These are primarily below cost pricing and margin squeeze. To enable to reap the benefits of the price discrimination and in order not to throttle market evolution, Ooredoo proposes to set specific cost-based price levels for individual services of concern below which the retail offers would not be allowed to fall. Any offer falling below this threshold would have to be justified by SPs on an ex-post basis.

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<sup>11</sup> Philips, Louis (1983), *The Economics of Price Discrimination*, Cambridge University Press.

*Discounts for Education Sector and for Persons with Special Needs.*

- 3.20 The CRA claims that discounts for the education sector were phased out in January 2016. It is also proposing to delete the provision for permitted discounts to Persons with Special Needs on the basis that it has not received reports regarding the uptake of this service.
- 3.21 Ooredoo respectfully asks the CRA to provide relevant documentation that can serve as an evidence for government’s decision to phase out discounts for telecommunications services to the education sector. We cannot understand the logic behind such a decision considering Qatar’s National Vision 2030 and government’s focus on supporting school access to telecommunications services so that children are equipped with 21<sup>st</sup> century skills and global competence for the 22<sup>nd</sup> Century. Even the world’s most competitive telecommunications markets (e.g. the USA, EU) allow special discounts for schools without a requirement for an SP to prove that it can be objectively justified.
- 3.22 Ooredoo also reminds the CRA of the MoTC/ictQATAR e-Accessibility Policy 2011 published on its website that requires service providers to provide special rate plans to persons with disabilities in Qatar. This policy does not require that the provision of such rate plans is subject to regulatory approval or reporting. Ooredoo will continue to provide special rate plans for these persons in the national interest. There is no basis for regulatory intervention in this regard.
- 3.23 Ooredoo argues that SPs should be allowed to continue to provide discounted tariffs to the education sector and persons of special needs to support Qatar’s national policies of digital transformation and inclusion. Requiring an SP to objectively justify such tariffs is an unnecessary and counterproductive process. If the CRA insists on such a measure, we demand that the specific rationale and related benefit to the sector is clearly articulated and made known to the public.

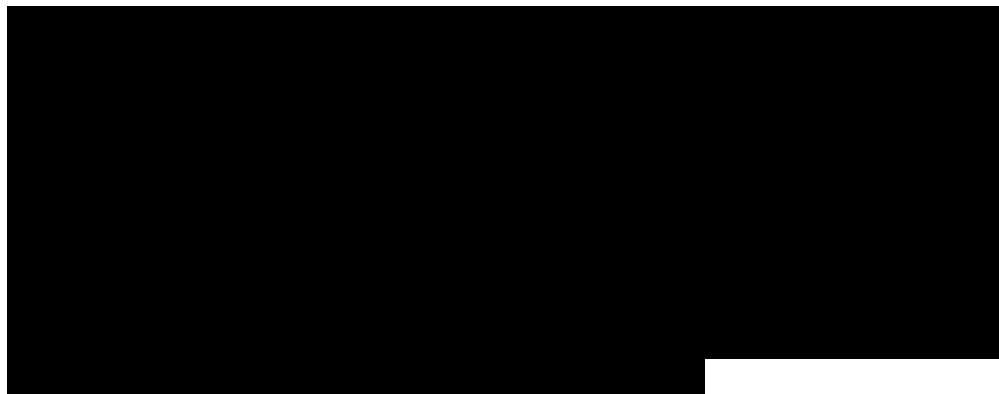
**Question 3: Discounts –Do respondents agree with the CRA’s understanding of the ARF? If not, please provide legal reasoning and the relevant effects?**

- 3.24 The CRA’s discussion of discounts as articulated in paragraph 21 (of Part II) of the Consultation Document implies that it welcomes discounts; however, the CRA does not support discounting practices that are mainly targeted at large

corporate or retail customers. The given rationale is that SMEs are unlikely to benefit from such practices. This statement is inconsistent with the discount Matrix that the CRA is proposing as an illustrative example of how to apply customer discounts. For example, the Matrix rewards customers based on QAR spend with objective justifications according to cost savings, efficiency benefits, economies of scale and capacity utilization. This type of discounting practices naturally awards larger customers as they spend more and thus are more likely to meet objective justifications for price differentiation as suggested by the CRA’s proposed discount Matrix.

3.25 Ooredoo argues that this discounting practice is the norm in all industries (with similar underlying cost characteristics) for the very economic reasons the CRA listed in its discount Matrix (economies of scale, cost savings, capacity utilization ...etc.). It is not clear what other types of discount practices that the CRA would refer to as more efficient or that can better meet requirements for objective justification.

3.26



3.27



*Discounts Offered by DSPs*

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<sup>12</sup> See “MoTC Launches Digital Plan to Empower SMEs,” [Gulf Times](#), 2 April 2018.



3.28 The CRA requires that respondents confirm their understanding of Articles 43 of the Telecoms Law, Annex I Section 3.4 in the Individual License and Article 4.3.1 in the current RTI.

Article 43 of the Telecoms Law. The CRA reference pertains to Article 43 (4):

*“providing an offer on more preferential terms and conditions and in a manner not based on differences in cost **so that the competing service provider acquires another service that it does not want to acquire**”*

Ooredoo is confused as to the relevance of this reference and requests the CRA to provide clarification. Our understanding of this reference is that it is addressing services provided by a DSP to an SP and as such does not have any relevance to ‘retail tariff regulation.’ Our understanding is that this provision is relevant to interconnection and access agreements for example. As such we consider this article irrelevant with respect to the discounts offered on retail telecommunications services.

3.29 Annex I, Section 3.4 of the Individual License.

*“A DSP will not offer a significant discount from the price of any public telecommunications service, not justified by any objective factor, **that has the effect of foreclosing another licensed service provider from a significant portion of any publish telecommunications services market.** In particular, the service provider shall not offer:*

- (a) Loyalty discounts, in which the service the provider offers a discount on the condition that the customer not purchase service from another service provider*
- (b) Volume discounts based on a customer’s total expenditure, but that are applied only to charges for public telecommunications services that are subject to effective competition; or*
- (c) Selective discounts that are available only to customers that have the greatest ability to switch to alternative suppliers.”*

The CRA’s intention for including this reference in the consultation document is also unclear and we ask for an explanation as to the type of comment or

analysis that is expected from respondents in this regard. Ooredoo does note for the record however that subsections (a), (b) and (c) are conditional based on whether they have the effect of foreclosing another service provider from a significant portion of the market, i.e. they are not stand-alone provisions. Hence our understanding of this article is that a DSP is allowed to provide discounts on any public telecommunications service as long as these discounts do not have an effect of foreclosing another SP from any telecommunications market. In other words, as far as a discounted price is still above the relevant costs, the discount is permissible under this article and does not require any further justification.

Article 4.3.1, RTI 2015.

*“DSPs must be able to objectively justify all discounts. This objective justification should be part of the Tariff Filing prior to launch of all Tariffs.”*

We note that all promotional discount offers filed by Ooredoo as an DSP in the past were justified and approved by the CRA under this article simply by demonstrating that discount price is still above the cost. Ooredoo notes that the CRA has excluded a key provision from this section of the RTI 2015, i.e. the provision that allows for exceptions according to the 4.3.2 . These are the de minimis provisions, which allow a DSP to simply notify the CRA where a discount is provided for cases stipulated in this article. For these cases, a discount is deemed preapproved by the CRA. Ooredoo has used this provision in the past successfully on numerous occasions to provide customers with discounted promotional offers, which benefited customers and provided Ooredoo with insights on customers preferences to inform subsequent product / pricing designs.

- 3.30 More recently Ooredoo has applied bespoke discounts based on these provisions but has met unusual and unsubstantiated resistance from the CRA with the result of arbitrary decision making and Orders to undermine our relationship with our customers and prevent us from competing. We note that the CRA makes references to industry discussions which it says have informed and/or prompted its proposals related to this consultation. Any discussions related to the de minimis provisions have revolved (to a large extent) around Ooredoo’s interpretation and application of the said provisions, which the CRA has rejected. However, the CRA has not declared under which scenarios the de minimis provision should be

applied. Notwithstanding the CRA’s substantive silence in the course of the aforementioned ‘discussions’, the deletion of the de minimis provision from the revised RTI without explanation only serves to magnify the lack of transparency.

- 3.31 As the CRA may recall, in the open industry forum on 19 March 2018, Ooredoo specifically queried the deletion of the de minimis provision and the CRA’s response was that the mechanism was removed because it was not utilized by SPs. Of course this explanation is not true. Furthermore, the lack of an appropriate response to industry regarding regulatory decisions that affect their commercial interests demonstrates discriminatory decision making. Ooredoo is fundamentally opposed to the removal of the de minimis provisions. In absence of these provisions, Ooredoo will not be able to compete on a level playing field with its competitors as it cannot respond to pricing proposals pitched by the competition to its customers.

#### *Discounts Offered by Non-DSPs*

- 3.32 The CRA asks whether respondents understand the language that it developed and included as part of Article 3.9 of the RTI 2015, which allows SPs to make discriminatory offers to customers as long as they can be objectively justified.
- 3.33 Ooredoo understands that this language as well as all other Articles of the RTI 2015 replace Annexure D of the Individual License. We further understand that this Article does NOT require a non-DSP to objectively justify its discounts as part of a tariff filing process although the CRA seems to be suggesting this in paragraph 26 of the Consultation Document.
- 3.34 On the other hand, Article 3.9 of the RTI 2015 gives the CRA the authority to investigate cases on an ex post basis where it has evidence that suggests that an SP has applied a discount that cannot be objectively justified. In these instances, the SP will be required to respond to CRA requests to objectively justify the basis for the application of differential treatment.
- 3.35 Ooredoo recommends that ex post regulation continue to apply in this area in the interest of all stakeholders. Ex post regulation reduces the cost of regulation while still allowing for regulatory intervention in cases where the market does not protect against anti-competitive practices.

- 3.36 As discussed above, the application of ex post regulation pertaining to discounts is the typical regulatory approach in this area and as there is no legal requirement for an ex ante regulatory approach, any justifications for regulations in this area must be substantiated by evidence that the costs involved for meeting the requirement do not outweigh the desired benefit. Regulations cannot be developed in an ad hoc manner without any basis—legal, economic, best practice.
- 3.37 We note that the CRA now proposes as part of the Article 3.9 of new RTI to require SPs as well as non-DSPs to justify each and every discount or even a new tariff, which would represent a discount on a price level of an existing tariff. See below.

*“Discounts must be objectively justified as part of the Tariff filing. This applies to both, DSPs and non-DSPs”*

This newly introduced requirement contradicts the MDDD 2016 decision as well as the CRA’s objective proclaimed in section 6 of consultation document: *“in competitive markets, regulation should be rolled back...”* Note that effectively all promotional offers launched by SPs represent some form of temporal discount on standard tariff prices. The above requirement that an SP has to justify each and every discount is simply overly burdensome. At the time when Ooredoo was DSP on mobile markets and was required to justify each tariff and promotion for mobile services 50% of the marketing staff capacity was spent on the CRA approval process. At that time, the tariff justification was limited to strictly defined rule of above cost pricing. Any justification by the SP other than demonstration of the above cost pricing would result in an approval process which is bound to be arbitrary and labor intensive in absence of clear, reasonable and objective criteria that is applied on a consistent basis. Given recent reduction of Ooredoo’s work force this new justification requirement would effectively demand significant increase in Ooredoo’s marketing staff. Other SP’s would be faced with similar increase in marketing costs. Yet the CRA fails to demonstrate any tangible benefit of this new regulation. As a matter of fact this regulation appears to effectively challenge the very workings of the competitive process and besides increasing the costs of SP’s will have an effect of actually stifling the competition and likely increase in retail prices (due to increase in SP costs) to the contrary of the objective, which the telecom laws endows the CRA with: *“to promote competition and customers benefits.”*

3.38 Furthermore, as we demonstrated above that economic literature provides sound justification for discriminatory discounts in the telecom industry (characterized by large sunk costs, economies of scope and scale and low marginal costs) as they lead to overall welfare enhancement in terms of higher demand, enhanced quality of service and stimulation of further investments and innovations. Hence the only relevant regulatory concern related to the discounts offered by DSP is potential foreclosure effect in case the offer is priced below costs.

**Question 4: Discount Matrix – Do respondents agree with CRA’s proposal?**

3.39 The CRA proposes that all SPs develop and publish a Matrix of discounts as part of their standard tariffs. The Matrix should include information regarding the group of retail customers that the discount applies to, the range of discounts offered, the criteria for obtaining the discounts, objective justification for the discounts and evidence that the discounts are not anti-competitive. These discounts cannot be provided to customers unless they have been objectively justified and approved by the CRA.

3.40 **The impact of this proposal is that the CRA is now effectively requiring the approval of all standard tariffs whether they are provided by an SP or DSP.**

3.41 Ooredoo understands that the CRA’s primary motive for such a proposal is to enable all customers, especially SMEs to benefit from discounted services and not just larger companies who have higher purchasing powers etc. However the result of such a proposal is more likely to have a negative effect on the sector by:

- changing the underlying tariff, i.e. if all customers can ask for a discount than the price of the tariff has fundamentally changed
- increasing the regulatory costs for all SPs as this proposal now links the approval of a matrix of discounts with a standard tariff and requires SPs to provide justifications for the matrix
- limiting the flexibility for how an SP can respond to competition in the market and provide differential price points that change from time to time based on contracts with partners, customer usage of services etc.

3.42 Ooredoo’s position is that the requirement for a discount matrix as part of a standard tariff is problematic and may not even be feasible for the reasons below:

- There is no unanimous agreement among economists on the methodology that should be used to demonstrate that a price is not discriminatory as explained in our response to Question 2. Even small differences in relative terms between costs and prices across customers can be used to reject proposed discounts and hence all matrix approval processes are bound to be highly subjective with protracted processes. Moreover price discrimination has positive effects on stimulating demand, enhancing service quality and investment; and as such should not require an ex ante approval process on a case by case basis. As far as the discount is not resulting in an anti-competitive price level (i.e. below relevant cost level) it should not be a regulatory concern.
- Ooredoo’s service roadmap will increasingly make use of partnerships as we strive to remain relevant to our customers. Our ability to offer discounts will depend to a great extent on our contractual relationships with these partners, which will constantly be in flux.
- A requirement to publish a discount matrix where it is considered part of a standard tariff will provide intelligence to our competitors that will enable them to undercut our discounts even before we present them to our own customers.

3.43 We are also not aware of any other markets in the region or elsewhere where telecommunications service providers are required to submit and publish a discount matrix as part of a standard tariff filing and request that the CRA provide documented support for its proposal, including the markets where such a matrix has been used and its impact on the sector.

**Question 5: Bundled Services – Are there any considerations the CRA needs to make with respect to bundled services provided by a SP?**

3.44 The CRA’s is proposing to amend the RTI 2015 Section 4.4 pertaining to ‘bundles’ with new provisions discussed in Section 4.3 of the Consultation Document. These proposals would condition the approval of DSP tariffs for bundled services based on the:



- Availability of wholesale products offered to SPs that enable the provision of the same services as the DSP
- DSPs ability to demonstrate that other SPs can replicate a bundled offer by using its own network or with wholesale products currently provided by the DSP
- Identification of separate charges applicable to the bundled services.

3.45 The provision of bundled offers by telecommunications service providers is ubiquitous and the growing trend is for more services to be offered as part of a bundle than separately. Bundles provided by telcos are also increasingly made up of non-telecom services such as digital programming and IoT services and we can expect that bundled service offerings will make up most tariff packages going forward. For Ooredoo to continue to remain relevant to its customers and grow its revenues, we must be afforded the agility to develop unique bundles in partnership with content providers and others to meet growing demand from our customers for digital services of all types. We expect that our competitors will follow a similar product roadmap.

3.46 The proposals put forward by the CRA may not even allow a DSP to launch bundled offers at all. For example, in paragraph 32 of Section 3.4 of the Consultation Document the CRA states: "*Bundling would be a concern to the CRA where the SP has market power in one or more Relevant Markets to which the bundled product belongs.*" Such an outcome would clearly impair the ability of the DSP to compete on equal terms with other SPs and skew the market outcome to Ooredoo's detriment.

3.47 Conditioning the approval of such bundles based on whether there are wholesale products available that enable our competitors to provide the same services or our ability to demonstrate that other SPs can replicate the bundle is unlikely to be productive from a regulatory or commercial perspective and represents an overreach of regulatory authority.

3.48 We also remind the CRA that the Telecoms Law, its Bylaws and the Individual license do not provide any references that link retail tariff regulation with the availability of wholesale offers nor do they extend the regulatory umbrella to non-telecommunications services such as video streaming and other digital media. In fact Article 3 of the Telecoms Law specifically clarifies that the

content delivered by means of Internet Protocol telecommunications networks is not subject to provisions under this law.

3.49 The CRA suggests that an DSP may be required to offer the service elements of a bundle separately. This statement is vague and will result in random, arbitrary regulatory decisions. Furthermore, the CRA’s authority in this area is limited to regulated telecommunications services.

3.50 The only relevant consideration regarding the regulation of bundled offers is the potential to foreclose a market to another SP. In this respect, the CRA should only be concerned where the price of the bundle is below the combined cost of the bundled service. This is also consistent with the License provision in Annex I (3.4. Anticompetitive Discounts) : *“A DSP will not offer a significant discount...**that has the effect of foreclosing another licensed service provider from a significant portion of any public telecommunication service market.**”*

3.51 Based on the above discussion points, Ooredoo’s recommendation for tariff proposals involving bundled services is that:

- Such tariffs should be evaluated against the same anti-competitive criteria as other telecommunications services provided by DSPs, i.e. they should be evaluated based on whether they are below cost, do not cross-subsidy and apply no margin squeeze
- Regulatory approval should not be contingent upon providing cost information related to non-telecommunications services
- **Regulatory approval should not be contingent upon requirements met under wholesale regulatory instruments.**
- Regulatory intervention should be on an ex post basis.

3.52 A review of regional and international practices confirms that regulation regarding bundles provided by DSP are:

- Primarily regulated on an ex post basis
- Permitted where aggregate prices are above costs and incremental prices are not below incremental costs



- Not linked to wholesale reference offers.

See Table 1 below shows the regional and international regulatory practices for bundles from 8 countries.

*Table 1: Examples of International Regulatory Practices for Bundled Services*

Country	Regulatory Practice
1 Bahrain	Ex ante notification rules on bundling; Applicable to DSPs; For bundle that can be replicated by others: price must cover aggregate costs; For bundles that cannot be replicated but are available on stand-alone basis, then incremental prices must not be below incremental costs
2 Kingdom Saudi Arabia	ex post regime
3 Oman	Retail tariff regulation; Applicable to DSPs; no specific safeguard for bundling
4 UAE	Regulation focused on cases where bundles are removed from the market-- TRA may block the removal of bundles where this removal is found to be anti-competitive, restricts, distorts or prevents the growth and development of the telecoms sector or causes harm to consumers
5 Jordan	ex post regime
6 Australia	ex post regime
7 Ireland	EU bundling remedy; Applicable to DSPs; Price of bundle must be above cost
8 Singapore	ex post regime

**Question 6: Wholesale Enablers – Are there any further considerations the CRA needs to take into account?**

3.53 The CRA proposes a new regulation to approve a DSP tariff based on the availability of corresponding wholesale enablers, e.g. Reference Offers. Its rationale for the proposal is that this is regional best practice, citing Bahrain and Oman as examples. The CRA provides no justification or authority based on Qatar’s legal framework for this proposal.

3.54 Ooredoo’s position is that all regulatory proposals should be guided by Qatar’s legal framework for the telecommunications sector. This legal

framework—Telecoms Law, Bylaws and Individual license terms and conditions--does not link retail with wholesale regulation including approvals for retail tariffs based on the availability of wholesale reference offers. In fact, the CRA’s rationale for this linkage is solely based on the existence of such regulatory practices in Oman and Bahrain, which it claims are best practices.

3.55 A ‘best practice’ is a practice or methodology that is widely adopted because it is superior to alternative practices in terms of leading to the desired result or producing the best possible result. Accordingly, the linkage of approving retail tariffs based on wholesale offers cannot be considered a regional best practice for the following reasons:

1. This practice is not widely adopted in the Gulf. For example, 3 out of 5 regulators have not adopted it, i.e. the KSA, Kuwait and the UAE do not have similar regulations.
2. The linkage of tariff approvals with the availability of wholesale offers in Oman and Bahrain has not turned out to be the enabler of the desired result-- i.e. fixed market competition--and thus is not superior to other methods. As demonstrated by the figure below fixed broadband penetration in Oman and Bahrain stood at 6% and 17% respectively as of 2016.<sup>13</sup> Whereas in Qatar, fixed broadband penetration has reach 99% which is the highest in the region and one of the highest in the world.

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<sup>13</sup> Refer to Telecommunications Markets Indicators in the Kingdom of Bahrain for full year 2016 up to Q2 2017 available at <http://www.tra.org.bh/media/document/20170911%20Telecommunications%20Markets%20Indicators%20Full%20year%202016%20up%20to%20H1%202...1.pdf>

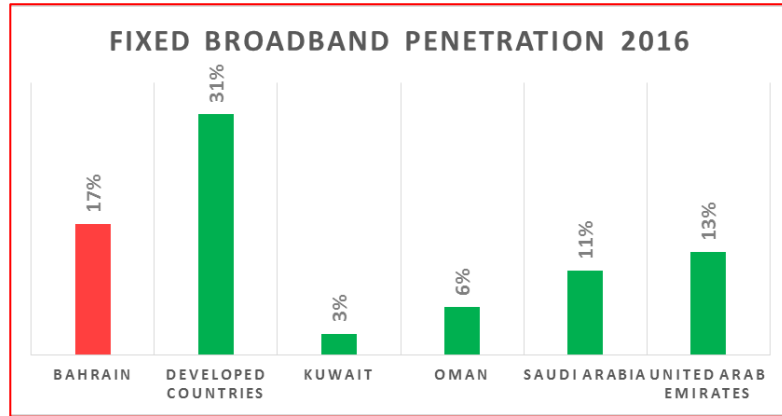


Figure 1: Fixed Broadband Penetration in Bahrain and Oman

3.56 Furthermore, the availability of wholesale offers in the Omani and Bahraini markets has not led to price points for leased lines services that can compare favorably with those already provided by Ooredoo in Qatar. See CRA figures below that indicate Ooredoo Qatar offers the lowest prices for leased line services in ranges of 10 Mbp and above in the GCC. <sup>14</sup>

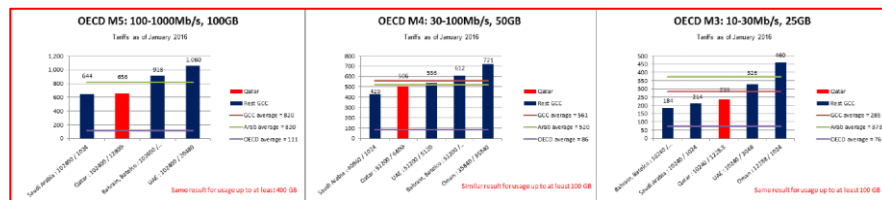


Figure 2: Fixed Broadband Baskets, Residential tariffs

<sup>14</sup> “Qatar Telecom Pricing: International Benchmarking Report, Comparing Prices with other GCC Countries,” CRA 2016; available <http://www.cra.gov.qa/sites/default/files/Qatar%20Price%20Benchmarking%20Report%202016.pdf>

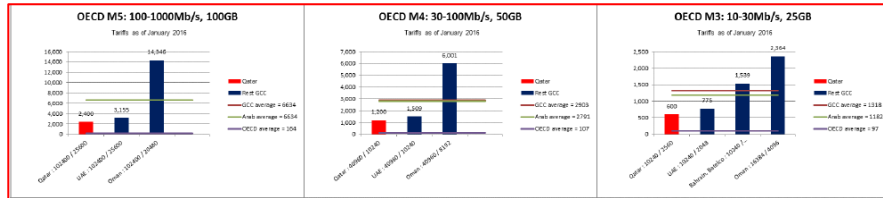


Figure 3: Fixed Broadband Baskets, Business tariffs

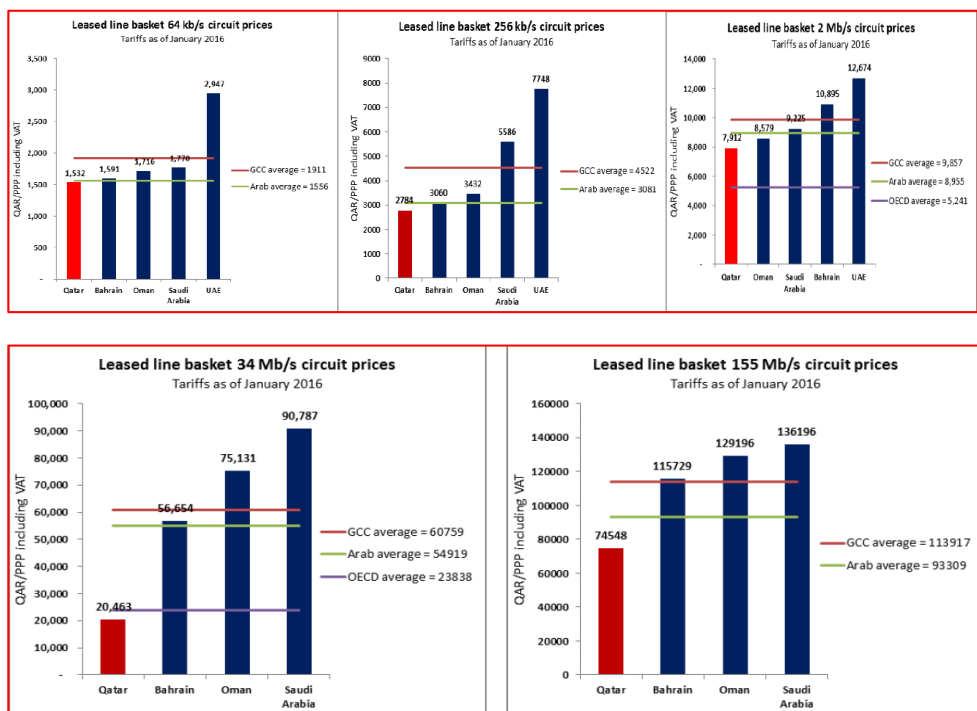


Figure 4: Retail Prices for Leased Line Services

3.57 The regulatory obligations imposed in Oman and Bahrain that require DSPs to provide access to a host of wholesale services combined with overly strict retail tariff approvals have actually led to detrimental market outcomes such as underinvestment in telecoms infrastructure and high retail prices. We therefore find it highly controversial for the CRA to label these regulatory practices as best practice. By proposing to adopt the same regulations in Qatar, the CRA will negatively impact both static market efficiency in (restricting price competition in retail markets) and dynamic market

efficiency (discouraging future investments in telecom infrastructure and service innovation) to the detriment of telecommunication customers and the wider economy.

3.58 The CRA should limit its RTI to the regulation of ‘retail’ tariffs, which is not tied or linked to regulations pertaining to wholesale services under Qatar’s legal framework. The guidance for the regulation of wholesale services is provided for under Chapter Five in the Telecoms Law and Chapter Four in the Bylaws, i.e. regulation of interconnection and access.

3.59 Moreover, based on regional experience, Ooredoo believes that its Reference Infrastructure Access Offer (RIO), which provides competitors with access to duct infrastructure and thus enables them to deploy their own fixed line infrastructure and compete in the fixed telecoms market is the superior enabler to fixed market competition and thus achieves the CRA’s desired result.

#### **4. Other comments related to the Part III - new RTI draft**

##### **4.1 Extending CRA’s initial tariff review period from 5 to 10 days**

The CRA is proposing to extend the time frame for which it can make an initial response to a filed tariff from 5 to 10 days. Ooredoo cannot support this proposal as it will serve as an additional barrier and bottleneck to the rollout of new services particularly for DSPs. As a means to facilitate a faster response time, Ooredoo suggests that CRA streamline its tariff process and reduce the regulatory burden for all parties.

##### **4.2 Compliance, monitoring, enforcement and review**

The CRA has included a new section as part of its proposals for retail tariff regulation as Section 6 of the Consultation Document. This section addresses SP compliance with the regulations, CRA monitoring of the implementation and enforcement and review. Ooredoo strongly objects to the proposals described in para 145 as these proposals have no legal basis. For example, an Order to withdraw a Tariff cannot be based on the publication of misleading GT&Cs. If anything the Order should actually be to withdraw the GT&Cs if they are in fact misleading by any reasonable determination. Ooredoo is genuinely confused by this CRA linkage

which is not referenced under Qatar’s legal framework for telecommunications services.

The CRA further mentions that compensation to customers will also be required in these cases. No parameters, methodology, exact circumstances etc....for when or how an SP would be required to compensate customers has been provided. Moreover the CRA threatens to issue other Orders obliging SPs to provide illegal telecommunications services for free to affected customers until the expiry date of their contracts.

**These proposals are indefensible under Qatar’s legal framework.**

The process that the CRA must follow in the award of financial penalties is described as part of Article 62 of the Telecoms Law as amended in 2017. Ooredoo trusts that the CRA will abide by the provisions of its laws.

**4.3 Review of Existing Provisions Pertaining to the Business Practices of Telecommunications Service Providers.**

Ooredoo finds that a number of the provisions in the RTI 2015, which remain as part of the new proposals, would benefit from a review that examines their useful purposes and relevance to current market conditions to ensure that they are not serving as barriers to competition and to a service provider’s ability to respond to consumer demand for new and better services. These provisions concern:

- Promotions and the restriction not to be able to repeat offers for 6 months
- Minimum service periods of only 3 months for both consumer and business markets
- Minimum validity periods
- Requirements for separate contracts for handsets and
- Geographic charges.

Ooredoo proposes that the CRA set up a Working Group where industry can discuss these provisions, among others, and present new options that balance the interests of service providers and their customers.

## 5. Conclusion

- 5.1 Ooredoo finds that the CRA proposals discussed in the Consultation Document are for the most part unsubstantiated. The CRA has not provided for example theoretical, quantitative or even qualitative evidence that can support their beneficial outcome. This is particularly problematic considering the tremendous cost that industry will incur in their efforts to comply. The CRA must measure the economic impact of its decisions on the sector before it issues regulations. Decisions cannot continue to be made in an ad hoc manner and without rigorous analysis where such decisions impact the underlying business propositions of service providers.
- 5.2 Ooredoo also finds that many of the provisions are anti-competitive--intentionally designed to benefit one type of service provider over the other. The ultimate impact of such proposals is that customers will be the losers, suffering from less investment in new services, higher prices and less choice.
- 5.3 CRA’s proposals to increase the regulatory burden on the regulator and all SPs in competitive as well as non-competitive markets is contrary to international best practices and the CRA’s own stated objectives. Considering the international trend to roll back regulation in competitive markets, the CRA’s own policy statements and its MDDD reports, the rationale for the CRA proposals is obscure.





April 16, 2018

Ref: 2018/REG/PB/4-102

Mr. Mohammed Al Mannai  
President  
Communications Regulatory Authority  
P.O. Box 23264, Al Nassr Tower  
Doha, Qatar

Dear Mohammed,

**Subject: Review of the Retail Tariff Instructions for Individually Licensed Service Providers (RTI)**

At the outset Qnbn wishes to note its appreciation to the Communications Regulatory Authority (CRA) for undertaking this proceeding and replacing/updating Annexure D of the Qnbn License and that of other Individually Licensed Service Providers by way of the Retail Tariff Instruction.

Qnbn will address the specific questions raised by the CRA. However, Qnbn is compelled to make a few preliminary comments and strongly recommend a paradigm shift in the overall regulatory scheme proposed for non-Dominant Service Providers. Qnbn submits that the CRA regulatory scheme for the DSP is basically correct provided the DSP actually files relevant tariffs.

At the forefront of any regulatory scheme addressing retail tariffs is the promotion of competition and protection of retail customers. Qnbn is of the view that the overall regulatory scheme proposed for non-Dominant Service Providers may actually impede competition to the overall detriment of retail customers.

As the CRA is aware by virtue of article 43 of the Telecommunications Law it is only the DSP which can engage in tariff conduct and activities which constitute abuse of dominance. Furthermore, it is highly improbable that a non-DSP would be found to be engaging in anti-competitive conduct in setting or defining whatever retail tariffs it wishes to offer the marketplace in order to obtain a foothold in the fixed line marketplace. The sole matter which may be of some significance to the CRA would be if a non-DSP engaged in unjustifiable discrimination. Clearly when it comes to establishing a regulatory scheme for regulating retail tariffs the CRA should impose only the lightest of obligations upon new entrants/non-DSP's in the retail marketplace. There should be relatively few impediments upon non-DSP's in terms of the services offered, pricing and the quality of service given to potential retail customers. In this regard Qnbn is of the view that requiring non-DSP's to provide upfront justifications in support of its tariff filings in uncalled for and unnecessarily onerous as well as an impediment to timely competition. The paradigm shift sought by Qnbn is that the RTI should not impose an upfront justification for tariffs proposed by non-DSP's.

As currently drafted the RTI imposes unnecessary and unduly onerous obligations upon non-DSP's to objectively justify the basis for its retail tariffs. The CRA should not impose an "up-front" obligation of justification upon the retail tariffs of a non-DSP. Non-DSP's should be entitled to introduce any retail tariff into the marketplace and should only be called upon for justification if there is a substantive complaint in



the marketplace which involves some form of discrimination. Otherwise the CRA should accept non-DSP retail tariffs as filed and without the need for any objective justification. Qnbn respectfully submits that the currently drafted RTI should be carefully reviewed by the CRA and its consultants and have all references to "objective justification" removed as an upfront consideration and instead have such a requirement imposed only in instances where it is required by the CRA as a result of a credible and substantive complaint.

The RTI, as currently drafted, makes only one substantive distinction between the DSP and the non-DSP's: the DSP needs to have its retail tariff approved. For all intents and purposes the filing obligations in support of retail tariffs are the same for the non-DSP as they are for the DSP. Qnbn submits that equivalency in filing obligations is unfair and only serves to impede competition and obligates a non-DSP to invest unnecessary time and cost in going to market. In reviewing liberalization of the EU marketplace Qnbn notes that retail tariff obligations imposed the DSP were at times extensive and exhaustive whereas non-DSP's were provided with the a competitive latitude largely marked with light, if any, obligations to substantiate tariffs up front.

**Question 1: Do Respondents agree with the CRA's proposed Taxonomy of the Tariffs?**

Given that Qnbn only offers passive services and has relatively simple group pf customers (Wholesale and Qualifying Persons) it has no issue with the classification system of the various tariffs proposed by the CRA.

**Question 2: Do Respondents agree with the CRA's understanding of the ARF with respect to non-discrimination?**

Qnbn has no issue that its tariffs must stand the test of non-discrimination. Further, Qnbn will ensure that it will always be able to objectively justify that its tariffs do not discriminate. However, Qnbn takes serious issue with the proposition or expectation of the CRA that whenever it introduces retail tariffs it will file up front an objective justification that its tariffs are non-discriminatory. In line with the regulatory scheme established in most liberalized markets for non-DSP the obligation to objectively justify should only arise if there is a credible and substantial complaint arising from other licensed service providers or retail customer.

**Question 3: Do respondents agree with the CRA's understanding of the ARF as concerns discounts offered by DSP's and non-DSP's?**

Qnbn agrees that it should not be prevented from making differential offers and differential treatment in its retail tariffs where warranted by objectively justifiable circumstances.

**Question 4: Do Respondents agree with the CRA's concept of the propriety of a discount matrix?**

Qnbn notes that it is a well-established principle in all telecom markets that discounts be provided for increasing 'total spends' by a retail customer given justifications such as cost savings, efficiency benefits, scale of economies and capacity utilization which may accrue to the benefit of Qnbn.

**Question 5: Are there any considerations the CRA needs to make with respect to Bundled Services provided by a DSP?**

Qnbn is of the view that the CRA should only be concerned when bundled services are offered by a DSP. Otherwise and non-DSP should be free to offer bundles services subject only to the non-discrimination obligation.

**Question 6: Are there any further considerations the CRA needs to take into account to enable wholesale services?**

Having suffered anti-competitive conduct at the hands of the DSP for several years with respect to duct access and suffered the CRA's inability to address enforcement of its decisions the CRA needs to seriously consider lobbying the Ministry for the breakup of the DSP in such a way as to the wholesale network component being transferred to a neutral entity such as Qbn.

Qbn will be happy to elaborate upon any matter discussed above at the CRA's discretion.

Yours sincerely,



**Philip Brazeau L.L.M., J.D.**

**Head of Regulatory**

**Qatar national Broadband Network**



**Vodafone Qatar P.Q.S.C. submission to the  
Communications Regulatory Authority's consultation  
document**

**"Review of the Retail Tariff Instructions for  
Individually Licensed Service Providers (RTI)"  
issued 8 March 2018**

**12 April 2018**

**Confidential**



## Introduction and executive summary

1. Vodafone Qatar P.Q.S.C. ("**Vodafone Qatar**") welcomes the opportunity to respond to the Communications Regulatory Authority ("**CRA**") consultation document titled "Review of the Retail Tariff Instructions for Individually Licensed Service Providers ("**RTI**")" issued on 8 March 2018 ("**CD**").
2. Vodafone Qatar fully supports the CRA's vision of having an open and transparent regulatory process and ensuring customers are protected from anti-competitive practices.
3. The current version of the RTI is three years old and it is paramount that the RTI be adjusted to:
  - reflect market realities and the findings of the CRA's latest market review, the 2016 Notice and Orders: Designation of Ooredoo Q.S.C. and Vodafone Qatar Q.S.C. as Dominant Service Providers in Specified Relevant Markets issued on 9 May 2016 ("**MDDD**");
  - address Ooredoo's continuous super dominance in fixed;
  - set a robust framework to enable competing investment and competition in fixed;
  - provide a targeted and proportionate *ex ante* framework with appropriate guidance in order to minimise regulatory uncertainty supported by clear ex post framework with clear processes and timelines for enforcement;
  - provide adequate protection against the risk of re-monopolisation in mobile via convergence.
  - Set clear processes with appropriate timeline for enforcement of non-compliance by the Dominant Services Provider ("**DSP**")
4. The market and regulatory context is as follows. Competition has delivered strong outcomes and needs to be nurtured and protected from the potential risk of re-monopolisation via converged offers through leveraging of market power from the fixed to mobile in an environment where any progress in wholesale regulation and Fixed Number Portability ("**FNP**") will take considerable time and the incumbent retains in excess of 95% of the fixed market.
5. In parallel there is a dire need for competition in fixed, notably to support the economic diversification of the country. Vodafone Qatar is ready to play an instrumental part in this and has committed via its recently amended fixed coverage obligations to significant investment in fixed infrastructure and fibre roll-out.
6. Hence the RTI should set a framework that supports competing investment and sustainable competition while mitigating the risk of re-monopolisation in mobile with Ooredoo leveraging market power from fixed to mobile. This is necessary to ensure that consumers and businesses alike in the country experience the benefits of competition and avail of world class services. It is also required so that Vodafone Qatar stands a chance to earn a reasonable return on its investment. To achieve this objective, a significant shift in the Draft RTI is necessary with proper focus on the regulation of the DSP in fixed and bundled offers and conversely the withdrawal of unnecessary restrictions in mobile and heightened filling and reporting requirements for non DSP.



7. While there are some very positive proposals in this CD such as the wholesale enablers; removal of De Minimis provisions and discount matrix for DSP, the proposed RTI needs to be reworked and amended to provide a more targeted regime that the industry needs to deliver competing investment and sustainable competition in the sector. In some important aspects the Draft RTI is out of step with the regulatory principles which underpin the Applicable Regulatory Framework (“**ARF**”) and international best practices, for example:
  - Instead of rolling back ex-ante regulation in markets deemed competitive (e.g. mobile), the CRA is proposing to maintain/increase the regulatory burden in these markets and on non-Dominant Services Providers (“**DSPs**”) without any reasoned justification (e.g. requirement to provide objective justification for pricing decision, to file and publish all bespoke and tender tariffs, ban on use of data driven analytical models to generate targeted offers to customers;)
  - Conversely the CRA places insufficient emphasis on the regulation of the DSP and provide very limited practical guidance on proposed controls. As per the ARF this should be the focus of the RTI but it represents only 2 pages out of the 20 pages Draft RTI.
8. At present, the proposals regarding competitive markets go well beyond the Telecommunications Law No 34 of 2006 amended by Law No 17 of 2017 (the “**Telecommunications Law**”) and will stifle innovation, create unnecessary burden on the CRA and the Services Providers (“**SP**”) with no tangible benefits.
9. In keeping with regulatory practice and the ARF our main concrete proposals for non-DSP / markets deemed competitive are:
  - Only safeguards should remain in place. This includes: non on-net / off-net price discrimination.
  - Matters related to consumer protection would be best addressed under the Consumer Protection Framework. This includes: information accuracy; advance notice to customers for price increase; explaining the credit limit/return policy/security deposit and all other T&C to customers; clear contractual terms including description of services; charges; minimum period of service if any etc.; accurate and clear billing; fit for purpose services; and disconnection of customers.
  - Withdraw the unrealistic and un-justified proposals of filling (including costs, revenue and methods of composing tariffs), review and approvals for non-DSP, including tenders, bespoke agreements and loyalty programs;
  - The Telecommunications Law is clear that prior filling and approval is only required for the DSP. Similarly, the provision on no undue discrimination applies only on the DSP.
  - All other provisions should be removed. This includes: non-discrimination, the new ban on geographic pricing, restriction on bundling and discounting.
10. As far as ex ante regulation of DSP is required, we are encouraged by the direction of the CRA regarding wholesale enablers as a prerequisite to retail tariff changes and other requirements to ensure that retail tariffs are compatible with the development of competition, to prevent abuse of a dominant position and anti-competitive behaviour, and to redress persistent downstream market failures
11. Our concrete proposals for DSP / competitive market are that the RTI should provide:



- Greater clarity and guidance to be provided on the tariffs rules (e.g. no cross sub-subsidisation, replicability, bundling);
  - Greater clarity and guidance, including the methodology and parameters on how the tariffs rules will be applied and tested in practice. The methodology and parameters of the economic tests to be undertaken by the CRA must be clarified and consulted upon.
12. As a challenger on the verge of undertaking significant investment in fixed infrastructure to support the CRA's objective to inject competition in fixed and to meet our recently amended fixed coverage obligations we are extremely concerned with the lack of detail on the regulation of the DSP, including on the methodology and parameters for the economic tests to be conducted by the CRA has part of the approval process. This combined with the challenges to address on-going non-compliance with the RTI by Ooredoo give rise to considerable regulatory uncertainty.
13. In terms of next steps and in light of our comments, we recommend that the CRA goes with its proposed option 2 and undertake a second phase of consultation. We believe that this is necessary to ensure that the revised RTI are workable, focus on addressing dominance and provide the platform competition investment and sustainable competition. Vodafone Qatar remains available to meet the CRA and provide its input.
14. Our submission is organised in two parts:
- Part A – Vodafone Qatar comments on the approach of the RTI; and
  - Part B – Vodafone Qatar more detailed comments on the Draft RTI.



## PART A – VODAFONE QATAR COMMENTS ON THE APPROACH OF THE RTI

15. In this part, we provide general comments on the RTI and the guiding principles for the design of ex ante tariff controls.

### Guiding Principles

16. We fully agree with the statement from the CRA: (CD, page 4):

*Ex ante* regulation shall focus on markets where – amongst others - competition has yet to develop, while in competitive markets, regulation should be rolled back to allow *ex post* competition rules to be the mainstay of these markets. This has been clearly expressed in the Policy Statement Regulating for the future, issued in June 2014<sup>6</sup>.

Even in competitive markets, regulatory oversight cannot be rolled back entirely<sup>7</sup> and regulatory measures to establish transparency, clarity and effectiveness of the Tariffs are important to protect Retail Customers.

17. The current version of the RTI is three-year old and it is paramount that the RTI be adjusted to:

- reflect market realities and the findings of the CRA's 2016 MDDD;
- address Ooredoo's continuous super dominance in fixed;
- set a robust framework to enable competing investment and competition in fixed;
- provide a targeted and proportionate *ex ante* framework with appropriate guidance in order to minimise regulatory uncertainty;
- provide adequate protection against the risk of re-monopolisation in mobile via convergence.
- Set clear processes with appropriate timeline for enforcement of non-compliance by DSP.

18. The RTI has to be calibrated to market reality and market review findings. As mobile markets were deemed competitive by the CRA in the 2016 MDDD, then ex-ante regulation in these retail markets should be rolled back with only residual obligations as per the Consumer Protection Policy and competitive safeguards remaining.

19. Maintaining and indeed expanding regulation in markets deemed competitive by the CRA is inconsistent with the CRA's stated regulatory objectives and the principles which underpin the ARF. It is unclear which problems the proposals of the CRA are intended to solve.

20. The rationale for DSP to be subject to some form of control is to protect consumers and to prevent any abuse of market power. To this end the RTI should be structured around a set of well-targeted ground rules prohibiting certain practices deemed incompatible with competing investment, the development of sustainable competition and the protection of consumers.

21. It would be helpful for the CRA to further explain and justify its proposals and how they will support the achievement of the CRA's mandate. In keeping with good regulatory practice, the RTI should be targeted and proportionate.



22. Vodafone Qatar also submit that the RTI should provide clear and appropriate processes and criteria for all requirements and obligations to minimise regulatory uncertainty.
23. To be clear, rolling-back ex ante regulation in competitive markets does not mean that the CRA will be losing control as it retains wide ranging powers to intervene and to request information from SPs as required.
24. We also consider that the RTI must not expand unreasonably the enabling provisions of the Telecommunication Law especially if it is not in line with the international best practices.

#### **Market and regulatory context to be reflected in the RTI**

25. The market and regulatory context is as follows. Competition has delivered strong outcomes and needs to be nurtured and protected from the potential risk of re-monopolisation via converged offers through leveraging of market power from the fixed to mobile in an environment where any progress in wholesale regulation and FNP will take considerable time and the incumbent retains in excess of 95% of the fixed market.
26. In parallel there is a dire need for competition in fixed, notably to support the economic diversification of the country. Vodafone Qatar is ready to play an instrumental part in this and has committed via its recently amended fixed coverage obligations to significant investment in fixed infrastructure and fibre roll-out.
27. Hence the RTI should set a framework that supports competing investment and sustainable competition while mitigating the risk of re-monopolisation in mobile with Ooredoo leveraging market power from fixed to mobile. This is necessary to ensure that consumers and businesses alike in the country experience the benefits of competition and avail of world class services. It is also required so that Vodafone Qatar stands a chance to earn a reasonable return on its investment. To achieve this objective, a significant shift in the Draft RTI is necessary with proper focus on the regulation of the DSP in fixed and bundled offers and conversely the withdrawal of unnecessary restrictions in mobile and heightened filling and reporting requirements for non DSP.

#### **Translating guiding principles into proposed regulation**

28. It follows from the above that the RTI should first and foremost focus on provisions applying to DSP. We agree with the CRA's that clear rules (e.g. no cross-subsidization, no abusive bundling) should apply to tariffs provided by the DSP. Those rules should be consistent with the Telecommunications Law and potential competition and regulatory problems. We also support the CRA's proposal to include a replicability requirement where Ooredoo has been mandated to offer wholesale products. However, further details and clarity is required on the various rules.
29. Similarly, to minimise regulatory uncertainty, the processes for tariff review and approval of the DSP tariffs along with the criteria against which compliance will be assessed should be clarified and detailed further. Indeed, the extent to which the RTI achieves its objectives to prevent anti-competitive practices and support competing investment and sustainable competition depends crucially on the detailed implementation of the rules and the





parameters used. At present the RTI offer very limited guidance. Example of questions the CRA must answer include:

- how is the CRA going to assess whether there are no cross-subsidies between services in a bundle?
- which cost standard does the CRA intend to use to ensure that competing investment in fixed is not deterred?
- which efficiency standard should be used given the market environment and Ooredoo dominance?

30. The CRA must align the DSP provisions of the RTI with the state of the market and expected development. We understand that a key policy priority of the CRA is to inject competition and investment in fixed, especially for enterprise while maintaining competition in mobile.

31. Vodafone Qatar is fully aware that the Competition Policy issued by the CRA issued on 21 October 2015 (“**Competition Policy**”) which provides some guidance on how the CRA will look at anti-competitive practices. However, the Competition Policy refers to ex post and not ex ante where different regulatory settings can be fully justified in light of the incumbency advantages and the regulator’s objectives. For instance, Ooredoo’s fixed network is fully deployed and a large part of it is already fully depreciated. It also has close to 95% market share. In those circumstances, adjustments are necessary to ensure that the competing investment necessary for sustainable competition take place. We submit that the methodology and parameters underpinning the economic framework and tests the CRA will use for the approval to be subject to detailed consultation.

32. The proposal to apply RTI obligations in competitive markets and non-DSPs are not in line with the 2016 MDDD findings as reproduced below:

2016 MDDD Remedies	Tariff Approval Requirements	Applicability
<b>Standard Obligations</b> (Refer to Table 2, Page 10 of MDDD Phase II)	Tariff submission and pre-approval requirements (Art. 28 of the Telecoms Law; Art.3 Annexure D of License	<u>Apply automatically to DSPs only</u>
<b>Specific Obligations</b> (Refer to Table 3, page 12 of MDDD Phase II)	The requirements for a DSP for tariff approval are governed by the Retail Tariff Instruction in Relevant Markets where “Standard obligations are not sufficient to prevent an abuse of dominance...”	<u>Apply to Ooredoo being DSP in the following markets:</u> - M1a/M1b/M1c, - M2a/M2b - M3 - M4 RTI is not imposed to non-DSPs and competitive markets (M2c/M2d/M5)

33. In our view the provisions which are not-dependent on DSP status should be limited to matters related to consumer protection such as:

- Information accuracy;
- Advance notice to customers for price increase;
- Explain credit limit/return policy/security deposit and all other T&C to customers;



- Clear contractual terms including description of services; charges; minimum period of service if any etc.;
- Accurate and clear billing;
- Fit for purpose services;
- Disconnection of customers etc.

34. Regarding non-DSP, we also recommend the following:

- Withdrawal of the unrealistic and un-justified proposals on filing (including costs, revenue and methods of composing tariffs), review and approvals for non-DSP, including tenders, bespoke agreements and loyalty programs. The Telecommunications Law is clear that prior filing and approval is only required for the DSP.<sup>1</sup> Similarly, the provision on no undue discrimination applies only on the DSP.
- All other provisions should be removed. This includes: non-discrimination, the new ban on geographic pricing, restriction on bundling and discounting.

35. There are a few important safeguards that should nonetheless be maintained to mitigate the risk re-monopolisation in mobile, including on-net / off-net price discrimination. In that regards, we support the approach of the CRA and set out our position on other safeguards in our comments to the Draft RTI below.

### **Non-discrimination and discount**

36. We set out in detail our view below on non-discrimination. In short, the non-discrimination obligations should apply solely for DSPs, as per Article 44 of the Telecommunications Law. The position of the CRA to impose a non-discrimination requirement on non-DSPs is not justified in light of the dominance findings of the CRA. Discriminatory pricing and discounting is a feature of competitive markets and modern commercial practices such a yield management and pricing based on consumers' insights.

37. The Article (44) of the Telecommunications Law prohibits any unjustified discrimination by the DSP only; whereas Article 51 requires the SPs to provide the consumer with the terms of the service, any other terms and conditions and all Tariffs, rates and costs applicable to any telecommunications service. The wording and spirit of the Telecommunication Law is to clearly disallow any unjustified discrimination by the DSP and ensure that the other SP's comply with the consumer related provisions only. Further, the Annexure D of the Mobile License which required the Licensee not to afford any unjustified undue preference or exercise undue discrimination against a particular person or persons has, as explained by the CRA, already been repealed and replaced by the RTI. Hence the CRA is able adjust the RTI and remove the non-discrimination requirement on non-DSP of the RTI.

38. The current approach of the CRA will hinder the commercial strategies of the operators which are designed to enhance consumer welfare by increasing demand. CRA's approach

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<sup>1</sup> The ARF is very clear that only DSP should file and be approved by the CRA. Article 31 of the Telecommunication Law prohibits any arrangement with any customer contrary to tariffs, prices or charges or any other consideration approved by the General Secretariat (CRA) and Article 55 of the Executive By-Law states that Article 56 (among others) shall apply only to the DSP. Article 56 further states that DSP tariffs are subject to filing and approval by the CRA.



would be tantamount to asking Qatar Airways to justify each and every price points. This is not realistic and amounts to micro-management. The CRA has determined that some markets are competitive and hence that market forces, combined with ex-post provisions, are sufficient to address any competition problems. The design of the RTI must be consistent with the conclusions reached by the CRA.

### **International practices**

39. Vodafone Qatar has undertaken a benchmarking exercise of retail regulation and we note that in relation to markets deemed competitive, the approach is consistent with the direction we have outlined above, namely to maintain provisions related to consumer protection. We have not come across countries in Europe where non-DSP operators are subject to a full raft of rules such as:

- requirement to justify with costing information, to notify, to publish and de facto seek approval from the regulator of prices changes and discount;
- imposing a blanket non-discrimination requirement and to ban geographic and other innovative pricing approach which deliver customer benefits and help investment by increasing demand;
- requirement to notify tenders as no country in the world expects tenders to be notified to their regulator for the obvious reasons of confidentiality (single as well as multiple parties), highly competitive negotiations and the bespoke nature of the transaction.

40. The situation in retail markets where an operator is dominant is more contrasted. However, we note that the concept of economic and technical replicability is indeed a key feature of fixed broadband regulation in Europe.<sup>2</sup> The overarching purpose of the economic replicability test in Europe is to ensure that retail offers of the incumbent can be replicated by alternative operators of a reasonable scale based on wholesale input. Safeguarding downstream competition is a central objective of the test together with providing investment incentives.

41. We also note that other regulators in the region, such as Bahrain, have implemented retail tariff regulations focussing solely on dominant services providers and establishing clear rules for the approvals of tariffs. Oman's approach is similar to the approach in Bahrain save for the inclusion of transparency requirements for all services providers.

### **Increased regulatory burden in competitive markets will hinder the development of the market and consumer benefits**

42. The CRA's new filing and approval proposals in markets deemed competitive will give rise to significant and unjustified administrative burden on the CRA and SPs. We will have to hire personnel to be able to comply with the reporting and notification requirements. We also believe that the CRA does not have the ability to comment on or approve all Tariffs within 10

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<sup>2</sup> Commission Recommendation on consistent non-discrimination obligations and costing methodologies to promote competition and enhance the broadband investment environment (C(2013)5761 final), 11/09/2013, OJ L 251 of 21/09/13.



days as we have noticed that it has taken the CRA one year and two months to adjudicate our fixed complaint which was a clear cut case with a breach admitted by Ooredoo.

43. We believe that a better approach is to focus the limited resources of the CRA and SPs on high impact areas in line with international best practice. This can be done by re-focussing the RTI on DSP.
44. The provisions of the RTI as they relate to non-DSP are not justified and will have a negative impact on consumers by increasing time to market, preventing innovative pricing strategies based on geo-marketing data and user experience. Dynamic pricing based on insights from consumers' preferences and behaviour is the norm in numerous industries, such as airlines. Vodafone Qatar cannot comprehend why the CRA wants to impose barriers to such practices which it should to the contrary encourage in line with industry trends and its mandate under Articles 2(2), 2(3) and 2(4) of the Telecommunications Law.

#### **Timeline for the Review**

45. In light of our comments and the further work required regarding the provisions related to DSP, we recommend that the CRA undertakes a second round of consultation (i.e. option 2) by issuing an amended and complete Draft RTI.

#### **Timeline for implementation**

46. In order to allow sufficient time to embed the new RTI, we suggest a two-month period between the issuance of the new RTI and it coming into force.

**PART B – VODAFONE QATAR DETAILED COMMENTS ON THE CD AND DRAFT RTI**

CRA's CD – Draft RTI	Vodafone Qatar's comments
<p><b>1.1 Introduction</b></p> <p>1. In keeping with an open and transparent regulatory process, the Communications Regulatory Authority of the State of Qatar ("CRA") herewith consults on a New Version of the Retail Tariff Instructions for Individually Licensed Operators in Qatar ("<b>New RTI</b>") to replace – amongst others - the Retail Tariff Instructions issued on May 7, 2015 (ref. CRA 2015/05/07, "<b>Current RTI</b>").</p> <p>2. For the avoidance of doubt, the New RTI also replaces:</p> <p>2.1 The "Notice Revised Interim Rules for Retail Tariff Assessment";</p> <p>2.2 The Order setting forth the rules and instructions for on-net/off-net price differentiation for Dominant Service Providers in Qatar<sup>2</sup>; and</p> <p>2.3 The Annexures relating to Retail Tariffs of the Individual Licenses of all SPs were already replaced by the Current RTI (ref. clause 1.1 of the Current RTI).</p> <p>3. The New RTI must be read in conjunction with other regulatory instruments under the Applicable Regulatory Framework ("<b>ARF</b>"), especially:</p> <p>(a) The Statement of Competition Policy and Explanatory Document, dated October 21, 2015<sup>3</sup>; and</p> <p>(b) The Telecommunications Consumer Protection Policy, issued in January 2014<sup>4</sup>.</p> <p>4. The New RTI will be applicable to Individually Licensed Service Providers ("<b>SPs</b>" or "<b>Licensee</b>") who offer retail Telecommunication Services to the public in the State of Qatar. This includes Dominant Service Providers ("<b>DSPs</b>") and non-DSPs ("<b>non-DSPs</b>"), and pertains to the following licenses.</p> <p>4.1 Ooredoo Q.S.C.</p> <ul style="list-style-type: none"> <li>• Qatar Telecom (QTel) Q.S.C. Public Mobile License ICTRA 08/07A, dated October 7, 2007;</li> <li>• Qatar Telecom (QTel) Q.S.C. Public Fixed License, ref. ICTRA 08/07B, dated October 7, 2007;</li> </ul> <p>4.2 Vodafone P.Q.S.C.</p> <ul style="list-style-type: none"> <li>• Vodafone Qatar Q.S.C. Public Mobile License – Amended version, ref. ICTRA 03/09 dated February 26, 2009;</li> <li>• Vodafone Qatar Q.S.C. Public Fixed License, ref. ICTRA 02/10 April 29, 2010;</li> </ul> <p>4.3 Es'hailSat - Public Satellite Telecommunications Networks and Services License, ref. ICTRA 2013/10/07, dated October 07, 2013;</p> <p>4.4 QSAT - VSAT License, ref. ICTRA 12/10-2, dated December 22, 2010;</p> <p>4.5 RIGNET - VSAT License ICTRA 12/10-1, dated December 22, 2010,</p> <p>4.6 Harris Salam - VSAT License, ref. ICTRA 03/12, dated March 22, 2012;</p> <p>4.7 QNBN - Passive Fixed Telecommunications Networks and Services, ref. ICTRA 2012/07/22 as amended on June 11, 2013 and August 30, 2017.</p>	<p>Please see our comment in Part A and further comment on 1.1 (44) below.</p>

### 1.2 Review of the Current RTI

5. Since the last review of the RTI, the CRA has issued relevant Regulatory Instruments, including the MDDD Notice and Orders (ref. CRARAC 09/05/2016 A, dated May 09, 2016) setting *ex-ante* obligations on DSPs<sup>5</sup>.
6. *Ex ante* regulation shall focus on markets where – amongst others - competition has yet to develop, while in competitive markets, regulation should be rolled back to allow *ex post* competition rules to be the mainstay of these markets. This has been clearly expressed in the Policy Statement Regulating for the future, issued in June 2014<sup>6</sup>.
7. Even in competitive markets, regulatory oversight cannot be rolled back entirely<sup>7</sup> and regulatory measures to establish transparency, clarity and effectiveness of the Tariffs are important to protect Retail Customers.
8. The following approach is applied by the CRA to review the Current RTI:
  - 8.1 Consultation on a set of relevant topics, including – amongst others – a taxonomy of Tariffs, non-discrimination obligations and an assessment of discounts (ref. Part II below);
  - 8.2 Consultation on the Draft of the New RTI – In order to provide visibility and clarity on how the rules will be implemented the CRA provides a draft of the New RTI in Part III below.
9. The changes proposed by the CRA for the New RTI have taken into account:
  - 9.1 The position of the CRA as presented to the SPs during the Workshop held on November 6, 2017 (provided as an attachment to the cover letter accompanying this Consultation Document (“CD”)); and
  - 9.2 Meetings held with Ooredoo, Qnbn and Vodafone on this matter.

We agree with the CRA that *ex ante* regulation should focus on markets where competition is yet to develop and in competitive markets regulation should be rolled back. Please see our comment on the need for roll back of regulation in Part A.

### 1.3 Timeframe of the Review

10. Once comments on this CD are received, the CRA may decide to issue the New RTI with the steps and deadlines as shown in the Figure 1 below.

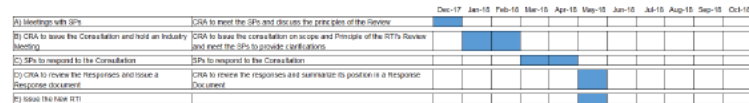


Figure 1: RTI – Timeframe of the Review – Indicative (Source: CRA)

11. Or, depending on the type and extent of comments received, the CRA may decide to undertake a second phase (Phase 2) of the consultation process, with the steps and deadlines as shown in the Figure 2 below.



Please refer to PART – A of our submission.

## Part II. Discussion on wider principles

27. Recently, the CRA and SPs have been discussing extensively<sup>8</sup> - amongst others - obligations related to discounts, non-discrimination and other relevant broader principles associated with Tariffs.
28. This part of the CD discusses these obligations and broader principles and requests SPs' comments. However, the proposed New RTI includes changes on topics additional to those discussed in this Part of the CD.
29. For the ease of reference, the following table serves as a summary of the most important Tariff processes as discussed in the course of this Consultation Document.

Type of SP	DSP				Non-DSP			
	GT&C	Standard Tariffs <sup>9</sup>	Below the Line Tariffs	Bespoke Tariffs	GT&C	Standard Tariffs	Below the Line Tariffs	Bespoke Tariffs
Filing need	Y	Y	n/a	Y	Y	Y	N	Y
Approval need	Y	Y	n/a	Y	Y	N	N	N
Publication	Y	Y	n/a	Y	Y	Y	N	Y
Monitoring	Y	Y	n/a	Y	Y	Y	Y	Y
Compliance	Y	Y	n/a	Y	Y	Y	Y	Y

Table 1 Summary of the Tariff processes (Source CRA)

Please refer to 3.3 below.

## 1 Proposed taxonomy of the Tariffs

### 1.1 Introduction and summary

1. A clear taxonomy of Tariffs is needed to create a common understanding and to clearly define the obligations of SPs with respect to the Tariff process displayed in Table 1.
2. Article 1 of the By-Law defines Tariff as  
*any statement of prices, rates, charges or any other compensation including related service descriptions or terms and conditions such as rebates, waivers or discounts offered by a Service Provider regarding any of its services*
3. This definition does not differentiate Tariffs according to who the recipients of the offers are. For example, a Tariff could be addressed to all Retail Customers or to only a group of Retail Customers.
4. For the scope of the New RTI, the CRA proposes to use the following definitions, which are in our understanding in line with the type of Tariffs currently being offered by SPs:

We agree with the CRA that a common understanding and clarity is required in defining types of Tariffs. Please refer to the various provisions including 3.2, 1.2 (10) and 1.2.3 below.

Tariff Category	Definition	Examples	Tariff Type
General Terms and Conditions ("GT&C")	Describing terms and conditions applicable to a group of Tariffs.	For business Retail Customers For residential Retail Customers For all mobile plans or for all fixed plans	n/a

Tariff Category	Definition	Examples	Tariff Type
Standard Tariffs ("ST")	Tariffs made available by a SP to all Persons or a specified group of Persons.  A ST may e.g. include an – objectively justified - matrix of discounts, where the addressable Persons are clearly identified.	Offers available to the general population. The Tariffs are typically split in consumer and business Tariffs. • Prepaid mobile residential • Postpaid mobile business	<ul style="list-style-type: none"> <li>• Permanent Tariffs</li> <li>• Promotional Tariffs</li> <li>• Loyalty Programs</li> </ul>
Below the Line Tariffs ("BLT")	A Promotional Tariff, made available by a SP to a group of Retail Customers of negligible value and by their nature do not affect competition. They are also called "customer value management" offers.	"call for QAR 0.10 to India if you pay QAR 1 extra" "get QAR 10 top-up bonus if you top up with QAR 200 or more"	<ul style="list-style-type: none"> <li>• Promotional Tariffs</li> </ul>
Bespoke Tariffs ("BT")	A Permanent Tariff made available by a SP to a specific Retail Customer or a specific group of Retail Customers and are as such not accessible to all Retail Customers.	<ul style="list-style-type: none"> <li>• A mobile call plan for employees of a certain organization</li> <li>• A Tariff tailored towards Special Projects/Tender requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Permanent Tariff</li> </ul>

Table 2: Taxonomy of Tariffs for the scope of the New RTI (Source: CRA)



<p><b>1.2 Types of Tariffs</b></p> <p><b>1.2.1 General Terms and Conditions (“GT&amp;C”)</b></p> <p>6. These are the terms and conditions applicable for a group of Tariffs. In Qatar these are typically set for Residential and Business consumer like “General Terms and Conditions for Consumer Services” or “Master Services Agreement for Business”.</p> <p><b>1.2.2 Standard Tariffs</b></p> <p>7. These are Tariffs made available by a SP to all Persons or to a specified group of Persons. They follow the format as displayed in Annex IV Tariff Document - Template</p> <p>8. Standard Tariffs can be:</p> <p>8.1 Permanent Tariff - without an end date or lasting effectively for a longer time;</p> <p>8.2 Promotional Tariff - with a duration of no longer than three months;</p> <p>8.3 Loyalty Programs</p> <p>Loyalty programs are promotions and incentives granted by SPs to customers depending on the Retail Customer’s usage patterns of the services. The aim of such programs is to reward Retail Customers for their usage, which in turn can increase the Retail Customer’s loyalty. They are in fact price discounts or post-sale rebates which allow the Retail Customers to earn “points” and redeem them by purchasing additional services from the SPs or goods from certain other companies who are linked to the loyalty program. Ooredoo offers “Al Nokhba” and “Nojoom” Vodafone offers “Vodafone Points”.</p> <p>Loyalty programs fall under the definition of Tariffs and are subject to the obligation on Tariffs as defined in the Current RTI. The CRA has confirmed this in previous Orders and communications to the SPs<sup>10</sup>.</p> <p>9. The Current RTI also addresses Humanitarian Tariffs. These are Tariffs being offered by SPs for humanitarian or public emergency reasons in the event of a bona fide humanitarian disaster<sup>11</sup> and do not need to be approved. Experience shows that these Tariffs are effectively mobile Promotional Tariffs. Therefore the CRA does not see the need to maintain a separate category.</p>	<p>Vodafone Qatar’s proposal is to bring the RTI in line with the ARF and require only the DSP to file and get its tariff approved by the CRA.</p> <p>While loyalty programmes are not a telecommunications services and should therefore not be part of the RTI, we agree with the CRA that some form of oversight is required and at this stage and recommend that they be notified to the CRA. We would also like to highlight that Vodafone Qatar has never received the CRA’s previous Orders and communications referred here which was sent to Ooredoo only. For sake of transparency, and clarity we request the CRA to share these with us.</p> <p>Humanitarian Tariffs needs to be clarified. These Humanitarian offers must be limited to the area impacted by the disasters e.g. earthquake in Nepal should have humanitarian offer for Nepal only. Also we believe that the duration for these offers must be specified as done in the current RTI which states the maximum period as 2 weeks.</p>
<p><b>Projects and tender</b></p> <p>10. Service Provider often provide services in a “project fashion”, including</p> <p>10.1 Services outside the scope of their Individual License (e.g. in-house cabling and the supply of IT and other telecommunications equipment e.g. PABX) and</p> <p>10.2 Telecommunication services, as per their Licenses.</p> <p>11. For the telecommunications services, as part of such a “project bundle”, the rules of the New RTI will apply. This includes the filing (and for DSP, the approval) of Tariffs.</p>	<p>Vodafone Qatar believes that due to the unique nature of tenders they should not be included in the RTI. Tenders are highly competitive and give very little scope of negotiation to the SP. Further, there is clear lack of control of the process, strict time lines and confidentiality provisions on the SP with little or no bargaining power for the SP.</p> <p>We note that no other NRA regulates tenders in the world and we believe this requirement is a form of regulatory creep which needs to be removed.</p> <p>If the CRA would like to have visibility on the tenders then it can ask for all tenders issued every quarter by the DSP to be submitted to the CRA for review.</p>

<p><b>1.2.3 Below the Line (“BTLT”) Tariffs</b></p> <p>12. BTLT Tariffs are non-Standard Tariffs, addressed to a group of Retail Customers, are of negligible value and are short term. They are Promotional Tariffs which by their nature do not affect competition.</p> <p>13. The CRA considers a combined revenue of all BTLT in a month of less than 1% of the revenue of the Relevant Market as per the MDDD as a threshold.</p> <p>The CRA considers 1% as a threshold with will not harm competition. The CRA is open to reasoned suggestions.</p>	<p>The CRA proposes to restrict the BTLT to a combined revenue of all BTLT in a month of less than 1% of the revenue of the Relevant Market as per the MDDD as a threshold.</p> <p>Based on our current practices, Vodafone Qatar recommends that the BTLT threshold be augmented to 5% of each Relevant Market or 10% of the combined revenues of all Relevant Markets.</p>
<p><b>1.2.4 Bespoke Tariffs</b></p> <p>14. These are permanent Tariffs, addressed to a specific Retail Customer or a group of Retail Customers only. For the avoidance of doubt, these must include any additional benefit granted to the Customers, such as handsets for free, Nojoom points, etc.</p> <p>Question 1 Taxonomy of the tariffs - Do respondents agree with CRA's proposed taxonomy of the Tariffs?</p>	<p>Vodafone Qatar believes that the definition of Bespoke Tariffs should be “any non-standard arrangement where non-standard tariffs are offered or where there is bundling of different tariffs with or without other benefits including non-telecommunication services (handsets and Nojoom points) are offered to customers.”</p> <p>Handsets and Nojoom points are usually not offered as part of the actual tariff and communicated in the offer stage to the customer usually via email. The actual agreement with the customer does not specify these as part of the contract. Therefore, the purpose of filling these types of additional benefits in bespoke tariff will not serve any purpose.</p>
<p><b>2 Non-Discrimination Obligations</b></p> <p>15. Non-discrimination has been recently discussed in-depth<sup>12</sup>.</p> <p>16. The obligations regarding of non-discrimination are clear in the ARF:  16.1 Article (44) of the Law states for DSPs  <i>“Dominant service providers shall offer equivalent terms and quality of service for all customers including tariffs, and the CRA may permit differing terms if such terms are objectively justified</i></p>	<p>For the reasons we set out in Part A of our submission, we disagree with the interpretation of the CRA and consider that non-discrimination obligations should only apply to DSP.</p> <p>The proposals of the CRA to require objective justifications for bundling and price differences to non-DSP is neither justified nor proportionate.</p>

<p><i>based on differences in supply conditions including different costs, traffic volumes, or shortage of available facilities or resources.”</i></p> <p>16.2 Section 3.9 “Undue Discrimination” of the Current RTI, applicable to both DSP and non-DSP states that  <i>“A SP shall not afford any undue preference to, or exercise undue discrimination against, a particular Person or Persons of any class or description. Notwithstanding the above, nothing in this provision shall be interpreted to prevent the Licensee from making offers to particular Customers or Customer groups where there is an objectively justifiable basis for such differential treatment.</i></p> <p>17. This means that SPs can offer Tariffs to a Retail Customer or group of Retail Customers only, if they can be <b>objectively justified</b>.</p> <p>18. For what constitute an object justification please refer to the Workshop held on November 6, 2017<sup>13</sup> and to Section 3.5.3 of the Competition Policy Explanatory Document 2015 (ref. footnote 3 above).  By the way of illustration, acceptable parameters for objective justification can include, amongst others, but not limited to:  18.1 Cost savings (for example, from reduced; bad debt, advertising costs, administration costs, purchasing costs, commissioning costs, network costs etc.);  18.2 Efficiency gains (for example, improved network utilisation, labour and/or capital productivity improvements, reductions in ‘slack’ etc.);  18.3 Economies of scale or scope (for example, reduced average fixed or variable cost, sharing of network infrastructure, purchasing economies etc.).</p> <p>19. The Current RTI already obliges all the SPs to objectively justify Tariffs addressing specific conditions for Retail Customers or groups of Retail Customers (ref. Part III below, section 2.5).</p> <p>20. The CRA is of the view that this obligation shall be implemented as described in the Draft New RTI (ref. Part III below).</p> <p>Question 2 Non-discrimination - Do respondents agree with CRA’s understanding of the the ARF? If not, please provide explicit legal reasoning and the the relevant effects.</p>	
<p><b>3 Discounts</b></p> <p>21. The CRA welcomes discounts, as long are they are pro-competitive, non-discriminatory (ref. section 2 above) and follow the appropriate filing and approval process. However, practices where large corporate Retail Customers, and/or Retail Customers of other SPs are mainly being targeted for discounting leave a majority of small and medium enterprises (SMEs) outside the reach of reasonably products priced (for example, leased line). This is not considered as beneficial for the diversification of the Qatari economy enabling the growth of the wider ICT sector.</p> <p><b>3.1 Discounts offered by DSPs</b></p> <p>22. Discounts are dealt with, inter alia, in</p>	<p>The CRA should amend the first para of this section and use assertive language which unequivocally states that DSP cannot offer any discounts. unless it is justified and pre-approved by the CRA.</p>

<p>22.1 Article 43 of the Telecommunication Law which prohibits DSPs from engaging in activities or conduct that constitute abuse of dominance: <i>The following conduct and activities, in particular, shall be considered as abuse of dominance:</i> <i>(a) Offer on more preferential terms and conditions not based on differences in costs.</i></p> <p>22.2 The Licenses in Annex I (3.4. Anti-competitive Discounts) which state: <i>A DSP will not offer a significant discount from the price of any public telecommunications service, not justified by any objective factor, that has the effect of foreclosing another licensed service provider from a significant portion of any public telecommunication services market. In particular, the service provider will not offer:</i></p> <ul style="list-style-type: none"> <li>• <i>loyalty discounts, in which the service the provider offers a discount on the condition that the customer not purchase service from another service provider;</i></li> <li>• <i>volume discounts based on a customer's total expenditure, but that are applied only to charges for public telecommunication services that are subject to effective competition; or</i></li> <li>• <i>selective discounts that are available only to customers that have the greatest ability to switch to alternative suppliers.</i></li> </ul> <p>22.3 Article (4.3.1) of the Current RTI which states that DSPs must be able to objectively justify all discounts. This objective justification must be a part of the Tariff Filing prior to launch for all Tariffs.</p> <p>23. This means that a DSP needs to objectively justify its discounts. What this effectively means for the Tariff filing process is further discussed in Part III below.</p>	
<p><b>3.2 Discounts offered by Non-DSPs</b></p> <p>24. The Current RTI states in Article 3.9 <i>"A SP shall not afford any undue preference to, or exercise undue discrimination against, a particular Person or Persons of any class or description. Notwithstanding the above, nothing in this provision shall be interpreted to prevent the SP from making offers to particular Customers or Customer groups where there is an objectively justifiable basis for such differential treatment."</i></p> <p>25. This is a reflection of the previous provision in Annexure D of the Licenses <i>"... In addition, the Licensee shall ensure that with respect to the application of any discount or promotional schemes offered or granted to any Customers or potential Customers, the Licensee shall not afford any undue preference to, or exercise undue discrimination against, a particular Person or Persons of any class or description. Notwithstanding the above, nothing in this provision shall be interpreted to prevent the Licensee from making offers to particular Customers or Customer groups where there is an objectively justifiable basis for such differential treatment."</i></p> <p>26. This means that also a non-DSP needs to objectively justify its discounts. What this effectively means for the Tariff Filing process is further discussed in section 3 above and in Part III below.</p> <p>Question 3 Discounts - Do respondents agree with CRA's understanding of the ARF? If</p>	<p>We do not agree with the legal interpretation of the CRA regarding discount and non-discrimination as explained in PART – A of our submission. We consider that the restrictions to discount and non-discrimination imposed on non-DSP are neither justified nor necessary. The CRA can amend the RTI to that effect.</p>

not, please provide explicit legal reasoning and the the relevant effects.

### 3.3 Discount Matrix

27. The CRA is open to SPs offering discounts to specified Retail Customers or group of Retail Customers as part of Standard Tariffs under a "Matrix of Maximum Permissible Discounts" ("Discount Matrix").

28. An illustrative example of a Matrix can be seen in Table 3 below:

Criteria- QAR Spent	Maximum Discount	Objective Justification
1-100K	5%	Cost Savings <sup>14</sup>
101-200K	10%	Efficiency Benefits
201-300K	15%	Scale Economies
301K+	20%	Capacity utilization

Table 3 Illustrative Example of a Discount Matrix (Source: CRA)

29. Information to be provided to support the Matrix must include:

- 29.1 Retail Customers, or group of Retail Customers this discount applies to;
- 29.2 The range of discounts being offered;
- 29.3 The criteria for Retail Customers obtaining the discounts contained in the Matrix;
- 29.4 An objective justification for the discounts;
- 29.5 Evidence that the discounts are not anticompetitive, e.g. not below cost, no margin squeeze, no cross-subsidy, etc.

30. This would be published as part of the Standard Tariffs, to inform Retail Customers of the potential to obtain a discount.

Question 4 Discount Matrix - Do the respondents agree with CRA's proposal?

As mentioned above, our position is that only DSP should be subject to any discounting restrictions including the proposed Discount Matrix. This is as per the ARF which only prohibits discounts by DSP.

The Discount Matrix as currently illustrated should be specified as "QAR per month" in the table as the amounts mentioned is very low and will in reality allow a 10% discount of most services for the DSP.

Further, the current objective justification column should be left blank for the DSP to provide and in more details as per the Article 29 than just stating "Cost savings or Scale Economies".

### 3.4 Discounts in bundled services

31. Bundled discounts occur when a multi-product SP offers a bundle of products at a lower price than when the individual products are purchased on a stand-alone basis. Bundles reduce the effective price that buyers face. There are typically two types of bundling:

- 31.1 Pure bundling - where products are only sold in the bundle and not separately; and
- 31.2 Mixed bundling - where Retail Customers could purchase the bundled products separately

32. Bundling would be a concern to the CRA where:

- 32.1 The SP has market power in one or more Relevant Markets to which the bundled products belong to; or
- 32.2 A Telecommunications Services in the bundle is not offered independently; or
- 32.3 The bundle cannot be replicated by a competing SP (e.g. no wholesale offer in place); or
- 32.4 There is no objective cost justification for the discounted price of the bundle (e.g. objective justification are economies of scope); or
- 32.5 The price of the bundle is below the combined cost of the individual services within the bundle.

33. Subject to the concerns above being met, a SP may offer a bundled services.

Question 5 Bundled Services - Are there any considerations the CRA needs to make

with respect to Bundled Services provided by a SP?

See our comments on Section 4 of the Draft RTI.

#### 4 Availability of wholesale enablers

34. Regional best practice shows that the approval of DSPs' Tariffs is linked to the availability of corresponding wholesale enablers, e.g. Reference Offers.<sup>15</sup>
35. The CRA is considering to introduce similar provisions in the New RTI to tackle potential abuse of a DSP who is dominant in both a wholesale market and in a downstream or related adjacent market.
36. In particular, refusal of a DSP to provide access to a facility or a network where access to that facility or network is essential to enable competition in the relevant (downstream) market is an example of exclusionary and exploitative behavior which could amount to an abuse of a dominant position<sup>16</sup>.
37. In order to enable the orderly development of especially the fixed markets, the CRA see tremendous merits to include this requirement in the approval process for Tariffs of DSPs.

Question 6 Wholesale Enablers – Are there any further considerations the CRA needs to take into account ?

See our comments in PART – A and further below on the Draft RTI.



## 1.1 Objective and Scope

38. This Retail Tariff Instruction (“RTI”) sets out the procedures and requirements that apply in relation to the retail Tariffs under the Applicable Regulatory Framework (“ARF”).
39. This Instruction applies to Individually Licensed Service Providers (“SPs” or “Licensees”) who offer retail telecommunication services to the public, including Dominant Service Providers (“DSP”) and non-DSPs.
40. This RTI comes into effect immediately.
41. This Instruction applies to Tariffs, defined in accordance with the Individual Licenses and the Executive By-Law to mean:  
*“any statement of prices, rates, charges or other compensation of any form (including related service descriptions or terms and conditions such as rebates, waivers or discounts) offered by a Service Provider regarding any of its services”*
42. Wholesale Tariffs or charge controls for wholesale Tariffs fall outside the scope of this RTI.
43. This RTI must be read in conjunction with the ARF, including amongst others
- 43.1 The Statement of Competition Policy and Explanatory Document, dated October 21, 2015<sup>17</sup>;
- 43.2 The Telecommunications Consumer Protection Policy, issued in January 2014<sup>18</sup>; and
- 43.3 The Code on Advertising, Marketing and Branding (ref. CRA-CGA/1305/14/ng, issued on September 25, 2014)<sup>19</sup>.
44. This RTI replaces
- 44.1 The previous versions of the RTI
- 44.2 The “Notice Revised Interim Rules for Retail Tariff Assessment”<sup>20</sup>
- 44.3 The Annexures relating to Retail Tariffs of the Individual Licenses of all Services Providers; and
- 44.4 The Order setting forth the rules and instructions for on-net/off-net price differentiation for Dominant Service Providers in Qatar dated 15 May 2011 (ICTRA 2011/05/15).
- 44.5 The Annexures relating to Retail Tariffs (Annexure D) of the Individual Licenses.

See PART A of our submission.

The CRA proposes filing and approval of almost all tariffs including tenders, bespoke contracts and maintaining registers for BTLT offers but offers no reasonable timeline for this transformation. As mentioned, if we were to file all the tariffs, provide objective justification and cost analysis we will need to recruit more personnel and we will need a grace period.

Vodafone Qatar notes that the CRA has mentioned that this RTI applies only to individual Licensed Service Providers in the State of Qatar. However, industry practice reveals that certain third parties such as Ooredoo’s premium partners like Jumbo electronics, Al Anees, Ghasham International, AG Comms and Starlink (a subsidiary of Ooredoo with their office in Ooredoo headquarters) are currently selling handsets for as low as 25QR bundled with Postpaid Plans.



These premium partners also send out targeted SMS to all Vodafone Qatar customers directly and have joint promotional material advertised in mass market.

If the intent of the CRA is to only regulate the licensed SP then it must prohibit these premium partners and retail stores from selling any telecommunications products or bundles or include them into this Article 4 as “4.8 - Any other entity selling telecommunication services or products in Qatar”.

## 1.2 Background

45. This RTI has been developed by the Communications Regulatory Authority (“CRA”), following a consultation process started in March 2018.
46. As Tariff proposals differ and evolve, this RTI shall not be considered as exhaustive: it provides guidance on how the CRA intends to proceed with Tariff approvals. In the

event the CRA adopts an approach which is materially different from this RTI, due notice and explanation will be provided to SPs.

Vodafone Qatar submits that the tariff rules applicable to the DSP lack clarity and that the guidance provided for the approval of tariff of the DSP is insufficient. There are no tests, criteria or clarity on actual process mentioned in the RTI.

Further, the CRA has not provided any market assessment or legal basis for expanding the scope of the current RTI to non-DSPs especially related to discounts and non-discrimination.

## 2.5 Summary of the key obligations

70. The table below summarizes key obligations of the SPs regarding Retail Tariffs in accordance with the ARF.

This summary section has been included for the ease of reference for the consultation process and may be omitted from the final RTI in order not to hamper the flow of reading.

Obligation	Source of the Obligation	Applicable to	
		DSPs	Non-DSPs
Non-Discrimination (unless objective justification)	Law: Article (44) Prohibition of Unjustified discrimination	Y	n/a
	By-Law: (-)	(-)	(-)
	Individual Licenses	(-)	(-)
	Current RTI (Article 3.9)	Y	Y
Filing of the Tariffs with the CRA	Law: Article (28) Submission of Tariff Offers and Prior Approval	Y	(-)
	By-Law: Article (54) – Authority of the CRA to request filing	Y	Y
	Individual Licenses:	(-)	(-)
	Current RTI (Article 3.2)	Y	Y
Approval of CRA before making the Tariffs available to the Retail Customers	Law: Article (28) Submission of Tariff Offers and Prior Approval	Y	N
	By-Law: Article (56)	Y	N
	Individual Licenses:	(-)	(-)
	Current RTI (Article 4.1.2)	Y	n/a
Publication of Tariffs	Law: none	(-)	(-)
	By-Law: Article (57)	Y	N
	Individual Licenses	(-)	(-)
	Current RTI (3.3)	Y	Y

Y yes  
N no  
n/a not applicable  
(-) not included

Table 4: Key obligations of SPs regarding retail Tariffs (Source: CRA)

Please refer to our comments to PART – A.

Vodafone Qatar notes that the focus of the Telecommunications Law and the Executive By-Law of 2009 for the Telecommunications Law (“**By-Law**”) as it relates to tariffs is on DSP. This is in line with international best practice and the rationale for economic regulation, namely to address market failure given rise to by market power.

The provisions explicitly require the CRA to pre-approve the tariff of the DSP and mandate publication. Similarly, the non-discrimination requirement applies solely to DSP (cf. Article 44 of the Telecommunications Law).

We also note the information requirement for all Services Providers towards consumers, which we support.

We are however very concerned that the Draft RTI conflict with the spirit and provisions of the Telecommunications Law and By-Law by mandating wide ranging obligations on non-DSP.

Article 15(2) of the Emiri Decree No 452 of 2014 Establishing the Communications Regulatory Authority (“Emiri Decree”) requires the CRA to develop appropriate tariff regulations [...] according to market requirements.

We invite the CRA to provide a reasoned justification for the provisions it proposes for non DSP and why those are proportionate.



<p><b>3 General Provisions for all Service Providers</b></p> <p>71. Except where explicitly stated otherwise, this section sets out provisions for all SPs.</p> <p>72. SPs shall comply with all provisions of this Instruction and with the ARF, including any regulatory instruments issued by the CRA relating to Tariffs.</p> <p><b>3.1 Tariffs – general provisions</b></p> <p>73. All Telecommunications Services<sup>25</sup> must be offered pursuant to a Tariff.</p> <p>74. If a filing to the CRA is required (ref. Table 5 below), the Offer of a SP must be documented in a Tariff Document (ref. Annex IV below).</p> <p>75. The SP consents to the CRA publishing on its website, a compilation of or links to the Tariffs offered by the SP, in order to facilitate access to, comparison of and understanding of the terms under which telecommunications services are available by the SPs.</p>	<p>Our position is to roll back and de-regulate the competitive markets. Vodafone Qatar believes that the entire RTI should be re-worded as “<i>Except where explicitly stated, this section sets out provisions for DSP only.</i>” and all provisions should only be applicable to DSPs.</p> <p>Please refer to our position and basis for it in PART – A of our submission, in addition to we would like to emphasise that the points on transparency and protection of retail customers are already enshrined in the Consumer Protection Policy issued in January 2014 (“CPP”), which the CRA has indicated will be subject to a refresh in 2018.</p> <p>Vodafone Qatar submits that consumers related provisions are best dealt under the CPP by the Consumer Affairs Department to avoid overlap, miss-alignment and unnecessary duplication. We further note that consumer related issues are swiftly dealt with by the relevant department of the CRA.</p> <p>By focussing on DSP, the RTI will enable the CRA to focus its limited resources on more important matters and ensure a timelier resolution of breaches of the RTI by DSP. It is regrettable that it took over one year and two months to address a material breach of the RTI in a high priority areas identified by the CRA.</p>
<p><b>3.2 Tariffs – taxonomy</b></p> <div data-bbox="680 863 954 948" style="border: 1px solid black; padding: 2px; margin: 10px auto; width: fit-content;"> <p>After having concluded the consultation and received the inputs we will copy the relevant content of Part II 1 Proposed taxonomy of the Tariffs</p> </div> <p>Table and definitions reproduced above -</p>	<p>Our comments on the taxonomy as follows:</p> <ul style="list-style-type: none"> <li>• GT&amp;C: under tariff type, the table should read MSA and General Post Paid and Pre-paid T&amp;Cs instead of n/a;</li> <li>• For the reasons we explained below tenders should be excluded from the taxonomy of tariffs and only be subject to regular monitoring for the DSP by the CRA.</li> </ul>

### 3.3 Tariffs - filing

76. The SP must make available to the CRA for its review all and any Tariffs as per Table 5 below.

For the avoidance of doubt, this includes amongst others, but not limited to:

76.1 This includes proposed/new Tariffs, modifications/changes to existing Tariffs or withdrawal of Tariffs

76.2 Framework agreements, discount schemes, bonus schemes and loyalty programmes;

76.3 Bespoke Tariffs. e.g. offered within Tenders<sup>26</sup>, such as Project Business;

76.4 The Tariffs for services rendered to customers outside of Qatar (e.g. roaming and calling cards).

Tariff Category	Types of Tariffs	Filing obligation	
		DSP	Non-DSP
General Terms and Conditions ("GT&C")	n/a	Y	Y
Standard Tariffs ("ST")	Permanent Tariffs	Y	Y
	Promotional Tariffs	Y	Y
	Loyalty Program	Y	Y
Below the Line Tariffs ("BTLT")	Promotional Tariffs	(n/a)	N
Bespoke Tariffs ("BP")	Permanent Tariffs	Y	Y

Table 5: Tariffs to be filed with the CRA

Our position on the respective obligations of DSP and non DSP are summarised in the below table:

Type of SP	DSP				Non-DSP			
	GTC	Standard Tariff	BLTL	Bespoke Tariffs	GTC	Standard Tariff	BLTL	Bespoke Tariffs
Filing	Y	Y	N/A	Y (Quarterly)	N	N	N	N
Approval	Y	Y	N/A	Y	N	N	N	N
Publication	Y	Y	N/A	N	Y	Y	N	N

For the reasons we set out in Part – A we submit that only the DSP should be subject to filing requirements. Non-DSP should merely publish their Standard Tariffs related to permanent or promotional offers on their official website in accordance with their obligations to customers under the CPP. Publication should be on the day of launch or on effective date of tariff in a customer friendly format.

77. Below the Line Tariffs ("BTLT"), which are expected to be put forward only by non-DSPs<sup>27</sup>.

BTLTs are excluded from the filing obligation for non-DSPs, as this may cause an excessive burden on the SPs as these Tariffs are not designed to affect competition. SPs are obliged to keep a register of the BTLT Tariffs. The Register must include at least the service, the categories of recipients of the Tariffs, the charges/discounts/other benefits granted to the recipients, the duration of the promotion and evidences to demonstrate that the Tariff is compliant with the threshold of the

78. SPs must ensure that:  
78.1 Tariffs are filed in accordance with this Instruction;  
78.2 Tariffs are documented in accordance with the template set out in Annex IV Tariff Document - Template.

- (a) For new Tariffs the SP must submit a Tariff Document;
  - (b) For modifications/changes to existing Tariffs the SP must submit a Tariff Document in Track Change Mode.
- The Tariff Document must be submitted in a PDF and Word format;

**Tariff Modification**  
Experience has shown, that it's easier and requires less administrative effort to submit a track change version of a Tariff Document. Therefore the CRA proposes to dispense with the "Tariff Modification Form".

79. Any substantial reduction of the benefit of the contract or service to the Retail Customer or any substantially increase of the burden of the Retail Customer must be objectively justified to as part of the Tariff filing.  
This applies specifically to a price increase or a restriction / limitation on the use of the service.

80. If a proposed Tariff includes any discount, the Tariff filing must include objective justification.

81. SPs must ensure that Tariff Documents:

- 81.1 Are written in plain language, clear, legible and easily understood by a typical consumer;
- 81.2 Contain any and all of the SP's proposed prices or modifications thereto (including any discounts and promotions), a clear statement of the applicable prices and the units to which they apply, rounding practices, use of increments, and any schemes involving rebates, discounts, waivers or free items ;
- 81.3 Contain and fully disclose in detail the terms and conditions that identify, among other things, the products and services on offer, related products and services, objectives of the offer, whether it is a promotion or a readjustment, minimum commitment periods or minimum volumes, cancellation policies, special considerations, the period of the Tariff, and any other elements of the offer that are material to the service provided and the consideration to be paid;
- 81.4 Include any charges for equipment not otherwise subject to Tariff control but which are included as part of the service offered; and
- 81.5 Contain the relevant marketing names of the Tariff or Offer.

82. The terms and conditions of the Tariff must identify, among other things, the products and services on offer, related products and services, objectives of the offer, whether or not it is a promotion or a readjustment, a clear statement of the applicable prices and the units to which they apply, rounding practices, use of increments, any minimum commitment periods or minimum volumes, cancellation policies, special considerations, the period of the Tariff, and any other elements of the offer that are material to the service provided to the Retail Customer and the consideration to be paid.

Vodafone Qatar does not have an issue with maintaining a pre-defined register for the BTLT offers however the CRA needs to understand that this data is real time and offered to specific or a small group depending on their willingness to take the offer and cannot be reported on a daily or weekly basis (depending on the offer period). We will therefore only be able to report the BTLT offers on a quarterly basis.

We strongly disagree with CRA's proposal in Article 79 that all price increase or decrease of benefits in the Tariffs should be objectively justified in the tariff filing. Any restrictions on the price should be limited to the DSP only as part of the normal tariff approval process. However, non-DSP should not be subject to this requirement as long as it fulfils the requirements of the pre-notification to the customers as per the Article 16 and 17 of the CPP.

Regarding Article 80, requiring non-DSP to provide objective justification for any discount is neither justified nor proportionate.

Vodafone Qatar recommends that the tariff filing requirements in Article 81 are already covered in the Article 21 of the Consumer Protection Policy and can be cross referenced here.

Vodafone Qatar does not have any objection to the CRA asking for information from the non-DSP as per Articles 83-87. However, the CRA needs to ensure that these requirements are justified and proportionate keeping in mind that it relates to competitive markets.

<p>82.1 Where required, all calculations and explanatory documents must be submitted with the Tariff filing. All calculations must be in Excel format and well documented;</p> <p>82.2 All Tariff submissions and related notification must be sent to the mailgroup <a href="mailto:tariffs@cra.gov.qa">tariffs@cra.gov.qa</a>.</p> <p>83. Upon request by the CRA, SPs must provide accurate information relating to any Tariff, including costs, revenues, terms and conditions and methods of composing the Tariff. Requested information must be accurate and delivered within the timeline specified by the CRA.</p> <p>This may include reports, to e.g. demonstrate that Relevant Markets as defined by the MDDD<sup>28</sup> are above cost.</p> <p>84. A request for information will reset the applicable Review Period for approval of the Tariff (ref. section 4.2 below). This fresh Review Period shall commence upon receipt of the requested information.</p> <p>85. Information may be exchanged in a Tariff meeting which may alter the CRA's understanding of a Tariff. This information does not need to be re-submitted in a formal filing but should be captured in appropriate minutes drafted by the CRA. The minutes are deemed approved after 2 working days from the date the minutes have been shared with the SP.</p> <p>86. Any request for the extension of a deadline must be accompanied by a convincing justification and filed at least five working days before the expiry of the original deadline.<sup>29</sup></p> <p>87. In case SPs are uncertain regarding the contents of a filing, e.g. a cost justification or the objective justification of a discount, the CRA welcomes a meeting prior to the filing in order to ease the process.</p>	
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**3.4 Tariffs – approval**

88. Explicit approval by the CRA is required as per Table 6 below. This includes new Tariffs, modifications/changes to existing Tariffs and withdrawal of Tariffs.

Tariff Category	Types of Tariffs	Tariff approval	
		DSP	Non-DSP
General Terms and Conditions ("GT&C")	n/a	Y	Y
Standard Tariffs	Permanent Tariffs	Y	N
	Promotional Tariffs	Y	N
	Loyalty Program	Y	N
Below the Line	Promotional Tariffs	(n/a)	N
Bespoke Tariffs	Permanent Tariffs	Y	N

Table 6: Tariffs requiring explicit approval by the CRA

Our position is all tariffs of DSP and tenders should be approved by the CRA and published by the DSP.

### 3.5 Tariffs – publication

89. The following Tariffs must be published by the SP as per Table 6 above. This includes new Tariffs, modifications/changes to existing Tariffs and withdrawal of Tariffs.

Tariff Category	Types of Tariffs	Tariff publication	
		DSP	Non-DSP
General Terms and Conditions ("GT&C")	n/a	Y	Y
Standard Tariffs ("ST")	Permanent Tariffs	Y	Y
	Promotional Tariffs	Y	Y
	Loyalty Program	Y	Y
Below the Line Tariffs ("BTLT")	Promotional Tariffs	(n/a)	N
Bespoke Tariffs ("BT")	Permanent Tariffs	Y	Y

Table 7: Tariffs which must be published by the SP

The publication of Bespoke Tariffs is necessary in order to inform customers and ensure non-discrimination.

90. For postpaid Retail Customers, the SP must state clearly on the first page of the invoice

90.1 For DSPs:

*The underlying Tariff has been explicitly approved by the Communications Regulatory Authority on //date//. The underlying regulatory Tariff documentation //Tariff Number and name// can be found on //insert weblink to the regulatory page of the SP//.*

90.2 For non-DSPs:

*The underlying Tariff has been filed with the Communications Regulatory Authority on //date//. The underlying regulatory Tariff documentation //Tariff Number and name// can be found on //insert weblink to the regulatory page of the SP//.*

Having discussed with customers, it appears that retail customers are not fully informed on the nature of the CRA's role. The measure described will increase the transparency.

The CRA is cognizant that the CPP in Art 24 has a time period of 21 days. This will be harmonized in the next version of the CPP to also state 30 calendar days.

Our position is all tariffs of DSP except tenders should be approved by the CRA and published by the DSP.

We do not think the requirement proposed in Article 90 is the best approach to raise consumer awareness of the role of the CRA. Instead Vodafone Qatar would be prepared a sign of goodwill to support the CRA to include on our invoice the CRA's logo and a statement along those lines *"Tariff in Qatar are monitored by the CRA. To know more about the CRA visit [www.cra.qa](http://www.cra.qa)".*

### 3.6 Tariff – changes – information of Retail Customers

91. SPs must ensure that the following Tariff changes are successfully communicated to affected customers at least 30 calendar days prior to the change taking effect:

- 91.1 Changes to the T&Cs;
- 91.2 Withdrawal of Tariffs and forced migration;
- 91.3 Reduced benefit or increased burden (price increase); or
- 91.4 A price decrease that is a consequence of a reduction in capacity, performance or quality.

92. For avoidance of doubt, these Tariff changes must be approved by the CRA before being introduced by the SPs.

Vodafone Qatar believes that 21 days prior notice for price increase is sufficient and in conformance with the CPP.

Vodafone Qatar does not agree with the new requirement to approve price increase by the CRA before introduction for non-DSP. We believe that the price increase requirements for non-DSP is already covered in the CPP when the amended tariff is communicated to the customers and if the CRA receives any complaints from the public or in case of an ex post complaint they can pursue the matter separately.

All price increase by the DSP should of course be specifically approved by the CRA.

### 3.7 Promotional offers

93. SPs must:

- 93.1 Limit promotions to a maximum of three months;
- 93.2 Ensure that Promotional Offers do not tie or lock-in Retail Customers to long-term contracts;

No comments

<p>93.3 Ensure that the maximum contract period applicable, following an acquisition promotion, is the Minimum Service Period (ref. 3.10 below) established by the CRA for Consumers and Business Retail Customers.</p> <p>94. SPs must ensure that promotions are not repeated for the same Tariff until 6 months after the promotional offer has expired. This applies to the underlying Tariff item or items that is/are subject to the initial promotion (i.e. at destination level, mobile data or connection charge).</p> <p>95. Overlapping promotions, i.e. where a Tariff item is affected (reduced) more than once due to the effect of a promotion are not permissible.</p>	
<p><b>3.8 Non-discrimination</b></p> <p>96. A SP shall not afford any undue preference to, or exercise undue discrimination against, a particular Person or Persons of any class or description. For the avoidance of doubt, this applies to DSPs and non-DSPs.</p> <p>97. Notwithstanding the above, nothing in this provision shall be interpreted to prevent the SP from making offers to particular Retail Customers or groups of Retail Customer, where there is an objectively justifiable basis for such differential treatment.</p> <p>98. SPs must submit sufficient justification for any discriminatory practice on a case by case basis and must cease the discriminatory conduct once directed by the CRA.</p> <p>99. Non-discrimination also means, that the charge for a Retail Customer to change from, for example, 10Mbps to 100Mbps must be the same as the charge for a Retail Customer to change from, for example, 100Mbps to 10Mbps unless there is an objective cost justification for a different price. Therefore, any differentiation in price between upgrading and/or downgrading a service must be objectively justified. Without an objective justification, based on cost, the CRA may consider a higher downgrade charge as a "penalty" to subscribers and request that the SP remove such a penalty.</p>	<p>We have set out in details our view on non-discrimination in Part A. In short, the non-discrimination obligations should apply solely for DSPs, as per Article 44 of the Telecommunications Law.</p>
<p><b>3.9 Discounts</b></p> <p>100. Discounts must be objectively justified as part of the Tariff filing. This applies to both, DSPs and non-DSPs.</p> <p>101. This means that discounts are only permitted if they are objectively justified.</p> <p>102. Hence discounts offered to customers but not approved by the CRA ("<b>Illegal Discount</b>") shall be phased out.</p> <p>In order to not unduly disadvantage the Customers, the Customer may benefit from the contract until its expiration date, but not longer than 12 months from the issuance of this RTI.</p> <p>For the avoidance of doubt, this means that the Discount must cease either after the expiry of the contract or after 12 months of the issuance of this RTI, whichever comes first.</p> <p>The Discount cannot be renewed, and the Customer must be subject to the relevant approved Tariff.</p> <div data-bbox="660 970 965 1177" style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>Discounts on existing Tariffs for the Education sector were to be phased out by 1st January 2016.</p> <p>The Current RTI permitted discounts for the Qatar Society for Rehabilitation of Special Needs under the provision that the SP will each January the SP will submit a service-uptake report. As the CRA has not received such a report, these offers are apparently not used. In order to streamline the RTI, the CRA has deleted this provision.</p> </div>	<p>As explained in Part A - the provisions on discounts should apply solely to DSP. Requiring an objective justification for each and every discount for services provided in competitive market is neither justified nor necessary.</p> <p>We also believe that as a non-DSP we should be allowed to offer discount for CSR purposes including to QSRN customers. We currently have some customers on Vodafone for All Plans which offers these customers 50% discount. We were never asked to submit a service uptake report by the CRA till date and hence did not provide one.</p>

<p><b>3.10 Minimum service period, commitment period and cancellation policy</b></p> <p>103. SPs are subject to the Minimum Service Period of no longer than three months unless an objective justification is provided demonstrating the reasons why it is necessary to require a longer minimum service term.</p> <p>104. In the event a Retail Customer wishes to cancel the subscribed service within the Minimum Service Period, SPs are entitled to collect the fixed monthly charges for the Minimum Service Period (except in case of contract change as per Paragraph 91).</p> <p>105. SPs must not provide any additional benefit for an extended contract period and Retail Customers must be entitled to terminate the service subscribed to after the Minimum Service Period without any penalty/payment.</p>	<p>We believe that minimum service period should be six (6) months for Postpaid consumers, so that they can get better value and loyalty benefits from Postpaid plans. We base this on the customer behaviour where we find that most Postpaid customers do not switch or change their Postpaid lines like Prepaid customers.</p> <p>Non-telecommunications services like ETR number, loyalty programme and handsets only T&amp;C should be excluded from this restriction.</p> <p>For business customers where there is a capex investment, the minimum period should be allowed to be one to three years depending on the amount of investment and other objective justification.</p>								
<p><b>3.11 Minimum Validity Period of Credit</b></p> <p>106. SPs must ensure the Minimum Validity of credit as follows:</p> <table border="1" data-bbox="203 651 967 710"> <thead> <tr> <th>Credit</th> <th>Duration</th> <th>Explanation</th> </tr> </thead> <tbody> <tr> <td>Less than or equal to QAR 10</td> <td>30 days or longer</td> <td rowspan="2">Including, but not limited to, pre-paid products vouchers, top up credit.</td> </tr> <tr> <td>Standard credit validity</td> <td>6 months or longer</td> </tr> </tbody> </table> <p>107. Tariffs which include specific bundles of minutes/messages/data allowance must specify the period for which the included bundle remains valid, i.e. a monthly package of 10 min for 1 QAR per month must specify whether the 10 minutes will expire after one month, roll over to the second, third etc. month and then expire or continue rolling over as long as the Retail Customer subscribes to the plan.</p>	Credit	Duration	Explanation	Less than or equal to QAR 10	30 days or longer	Including, but not limited to, pre-paid products vouchers, top up credit.	Standard credit validity	6 months or longer	<p>We do not have any objection to the minimum validity period of credit however we believe that this should exclude mobile Internet plans which, due to industry trend and current practise, have validity period ranging from 1 day to 6 weeks for both operators.</p>
Credit	Duration	Explanation							
Less than or equal to QAR 10	30 days or longer	Including, but not limited to, pre-paid products vouchers, top up credit.							
Standard credit validity	6 months or longer								
<p><b>3.12 On-net/off-net pricing differentials</b></p> <p>108. In the absence of an objective justification for on-net/off-net pricing differentiations, SPs must not apply any on-net/off-net price differentiation. This means that a unit of service, which includes voice and video calls, SMS, MMS and other services, made from the SP network to another SP's network must be charged at the same amount as a unit of service inside the SP's network. This also means that if units of service (e.g. call minutes) are included in a permanent bundle, these call minutes must be available on-net and off-net.</p>	<p>We agree with the CRA that this competitive safeguard should be maintained to avoid the network effects and the market tipping in favour of the largest operator. Competition in mobile has delivered strong outcomes for consumers and it needs to be nurtured.</p> <p>The restriction on on-net / off-net differentiation should therefore be retained and applied to fixed and mobile.</p> <p>However, Closed User group ("CUG") in Enterprise Tariffs and Friends and Family calling in Consumer Tariffs are an established market feature for a long time and should continue to be excluded.</p>								



<p><b>3.13 Handsets and CPEs</b></p> <p><b>3.13.1 Handset subsidy and SIM locking</b></p> <p>109. SPs shall not subsidize devices or engage in "SIM locking". SPs are free to sell devices on an instalment or amortized basis and unbundled from Telecommunications Services. This can be achieved by e.g. a separate contract being taken out for an expensive device and paid for in periodic arrears. This contract must not be bundled with the underlying telecommunication service. SPs are therefore not permitted to: 109.1 Subsidize any mobile device; 109.2 "Lock" a device so that it can only be used with the SP's own SIM cards.</p> <p><b>3.13.2 Network specific CPE subsidies</b></p> <p>110. SPs may provide equipment necessary for the provision of services (as an integral part of the service) and which are not available in the open market without a separate charge. This would typically include devices such as an Optical Network Terminal for fiber broadband.</p> <p><b>3.13.3 Non-Network specific CPE</b></p> <p>111. SPs must include the price of any CPE in a Tariff that is provided to Retail Customers free of charge but which may be charged for if the Retail Customer cancels within the minimum service period and fails to return the CPE.</p>	<p>Vodafone Qatar does not have any comment on the handset subsidy restriction and supports the SIM only concept.</p> <p>See our comments above on Article 1.1 above regarding premium/ preferred partners.</p>
<p><b>3.14 Easy To Remember Numbers</b></p> <p>112. SPs are entitled to charge for "easy to remember" (ETR) / "premium numbers" on condition that all charges will go entirely to charities / Corporate Social Responsibility (CSR) purposes. The SPs must maintain a record of this at all times for audit purposes by the CRA.</p>	<p>The CRA must be aware of the peculiar fascination for ETR numbers in Qatar which is equated with prestige and ability to own expensive numbers. Whilst we do hold special auctions for charity and most ETR revenue is used for CSR purposes, Vodafone Qatar believes that non- telecommunications (non-tariff) services such as ETR should be excluded from the RTI. SP's should be allowed to deal with the ETRs as they see fit after paying the requisite number fees as per the National Numbering Plan. We are in particular not in favour of any audit by the CRA which we believe should focus on anti-competitive and consumer protection elements instead.</p>
<p><b>3.15 Geographic Differentiation of Charges</b></p> <p>113. Unless specifically approved by the CRA, SPs must provide uniform pricing all over Qatar. For the avoidance of doubt, this includes Promotional Offers and potential "cell based charging".</p>	<p>The CRA has provided no rationale for this blanket ban applying to all SP. Our below comments must be read in conjunction with our Part – A submission.</p> <p>Our position is that the obligation to offer uniform pricing all over Qatar should apply on the DSP only. It is necessary to prevent selective and anti-competitive price cut in particular geographies where competition is emerging and to ensure that the effect of competition, albeit on a limited geographic basis, benefit all customers.</p> <p>In competitive markets, a ban on geographic differentiation is against consumer benefits and market trends. The RTI should not prevent but facilitate innovative pricing practices which rely on data driven analytical models which take into accounts customer's usage and</p>



	<p>interest. BTLT should be excluded as these can be geographical or cell based and offer genuine benefits. For example, Customer X visits a mall in West Bay, by virtue of the geographic location made available by the Customer X through their handset; he/she will receive special offers available in that mall on that date. By preventing these types' offers, the CRA will prevent innovative and new marketing initiatives to come into Qatar as envisaged by the MOTC's Advancing the Digital Agenda<sup>1</sup> which clearly states that Qatar's Digital Agenda includes: "Incentivise the ICT industry to develop innovative products and services".</p>
<p><b>4 Provisions specifically for DSPs</b></p> <p>114. The following provisions are additional to those included in section 3 above.</p> <p><b>4.1 Tariffs – filing</b></p> <p>115. Tariffs that contain any service or service element that falls within a Relevant Market in which the SP has been designated as dominant have to be filed and explicitly approved by the CRA in advance of being made available on the market.</p> <p>116. DSPs are obliged to file their proposed Tariffs as listed in Table 5 above.</p> <p>117. The DSPs is required to submit a Tariff Document as per Annex IV, for its proposed Tariffs.</p> <p>118. The Tariff filing must be accompanied by a cost justification, demonstrating the absence of anti-competitive conduct<sup>30</sup>, which includes e.g. pricing below cost<sup>31</sup>; cross subsidizing,<sup>32,33</sup> predatory pricing;<sup>34</sup> excessive pricing<sup>35</sup>, a price-margin</p> <div data-bbox="705 751 981 847" style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>The CRA has discussed the various requirements regarding cost justification with Ooredoo in length in the past. The CRA will apply the same standards with the New RTI.</p> </div> <p><small>30 E.g. Article (43)6, 7 and 9 of the Telecommunications Law. Under these provisions, it is prohibited for a DSP to supply competitive telecommunications services at prices below long run incremental costs or any other cost standard specified by CRA. In addition, Article (43) of the Telecommunications Law states specifically: 6 - Supplying competitive telecommunications services at prices below long run incremental costs or any other cost standard specified by the General Secretariat. 7- Using revenues or transferring a part of cost of a specific telecommunications service to subsidize another telecommunications service supplied 9- Performing any actions that have the effect of substantially lessening competition in any telecommunications market. Also ref. to Competition Policy - Explanatory Document dated October 21, 2015, Section 2 and 3</small></p> <p><small>31 Ibid</small></p> <p><small>32 Law (43) 7- using revenues or transferring a part of cost of a specific telecommunications service to subsidize another telecommunications service supplied by a service provider except where such subsidy is approved by the General Secretariat.</small></p> <p><small>33 Licenses - Annexure I 3.7 Unless approved by the Supreme Council, the Licensee will not use revenues from the provision of telecommunications networks, network elements, facilities or services that are not subject to effective competition, or transfer a part of the cost of a telecommunications network, network element, facility or service, to cross-subsidize the price of any telecommunications network, network element, facilities or related services that are subject to effective competition.</small></p> <p><small>34 Ref. to Competition Policy - Explanatory Document dated October 21, 2015, Section 3.5.10 Predatory pricing</small></p> <p><small>35 Article (29) of the Telecommunications Law. The tariff for telecommunications services provided by dominant service providers must be based on the cost of efficient service provision and the tariff must not contain any excessive charges which result from the dominant position that the service provider enjoys.</small></p>	<p>Our below comments are in addition to our comments in PART – A.</p> <p>We agree with the CRA's filing and approval requirements for DSP. However, we consider that Section 4 of the RTI needs to be significantly augmented. It is the core of the RTI and requires more than two pages to be fit for purpose and achieve its intended objectives.</p> <p>We would certainly invite the CRA to take as a starting point the Retail Tariff Notification Regulation of the TRA Bahrain and supporting Guidelines as a starting point and to adjust it to reflect the specificities of the market and the Telecommunications Law.</p> <p>We welcome and fully support the introduction of wholesale enablers as pre-conditions to tariffs changes and more generally the concept of economic and technical replicability. We agree with the CRA that "[i]n order to enable the orderly development of especially the fixed markets, the CRA see tremendous merits to include this requirement in the approval process for Tariffs of DSP" (CRA, CD paragraph 36). We note that such requirement is consistent with Articles 43(1) and 43(2) on abuse of dominance. However, the CRA needs to provide additional guidance in terms of how it sees this requirement working in practice, especially when there are different wholesale products available at various levels in the value chain. Guidance is required on the various parameters of the economic tests implied.</p> <p>In our view, an operator determined by the CRA to be dominant in any relevant retail markets should file and seek formal approval from the CRA to introduce and change any tariff. Bundles that include at least one element provided in a market in which an operator has been declared dominant should be subject to approval. This is as per the Telecommunications Law.</p> <p>For the avoidance of doubt this should include changes that affect the prices of</p>

<sup>1</sup> [http://www.motc.gov.qa/sites/default/files/qatars\\_national\\_ict\\_plan\\_english\\_1.pdf](http://www.motc.gov.qa/sites/default/files/qatars_national_ict_plan_english_1.pdf)

squeeze<sup>36</sup> bundling or tying<sup>37</sup>.

This will include at a minimum

- (a) Revenue information – a detailed breakdown of the revenue components (e.g. connection, subscription, usage) of the Offer, including the number of Retail Customers supposed to subscribe the Tariff; and
- (b) Cost Information - a detailed breakdown of the cost components (e.g. network, retail, termination etc.) of the offer.

Any cost information shall be based on a reliable source such as the approved Regulatory Accounting System. The cost information must be based on the applicable cost base and cost standard as approved by the CRA.

In the absence of reliable cost the CRA may chose appropriate proxies and benchmarks.

119. The Tariff filing must also include proof that the DSP has provided or will be providing the corresponding wholesale service(s) to enable other SPs to replicate the Tariff of the DSP.

The CRA considers this measure as necessary to ensure the development of the over marketplace. This provision is well established in other jurisdiction (e.g. BH, UAE)

telecommunications services and any changes to the non-price terms (including terms and conditions) of tariff which amount to a material change in the resulting price of the cost of provision of the services.

The current Section 4 lacks details on:

- The tariff rules applicable and their definition: it is not enough for a legal instrument to merely list examples of anti-competitive conduct. Clarity should be provided; and
- The criteria, methodology, parameters and manner in which the CRA will assess whether a tariff meet the tariff rules and hence can be approved under ex-ante regulation should be spelled out. The document provides no guidance on this.

As a challenger on the verge of undertaking significant investment in fixed infrastructure to support the CRA's objective to inject competition in fixed and to meet our recently amended fixed coverage obligations against which there will be QAR 30 million of performance bonds, the methodology and parameters of the economic tests to be undertaken by the CRA must be clarified and consulted upon. This is standard practice. In that context Vodafone Qatar is surprised and extremely concerned with the statement of the CRA according to which "[t]he CRA has discussed the various requirements regarding cost justification with Ooredoo in length in the past. The CRA will apply the same standards with the New RTI."

Vodafone Qatar submits that the methodology and parameters should be consistent and support the objective of the CRA to foster competing investment and sustainable competition.

## 4.2 Tariffs - review and approval

### 4.2.1 Tariff Review

120. The CRA will verify that the Tariff Document is consistent with the requirements of the RTI and the ARF.

In addition, the CRA will verify, that the proposed Tariff has neither now nor in the future, potentially anticompetitive effects. This will be mostly based on the figures on record (e.g. the Regulatory Accounting System, the MDDD reporting, etc.) and the cost justification submitted by the SP as part of the filing (ref. para 118).

### 4.2.2 Approval of the proposed Tariffs submitted by DSPs

121. Once a complete Tariff filing has been received, the CRA will have 10 working days to (a) approve or (b) object to the Tariff or (c) extend the period for review.
122. If the CRA decides that an extended review of a proposed Tariff is necessary, it will notify the SP in writing and will specify the procedures and timetable for the Tariff review, including any consultation or other relevant process with respect thereto, in accordance with the ARF or as determined by the CRA.
123. If the CRA declines to approve a proposed Tariff, it will inform the SP of the reasons for such decision in writing.
124. The CRA may request further information from the DSP in relation to the Tariff filing in writing. A request for further information, including meetings to discuss the Tariff filing, will stop the 10-day countdown. The 10-day countdown will start with day 1 once the additional information has been received by the CRA in its complete form as requested by the CRA.
125. In order to ensure development of all market participants, the CRA will not approve a Tariff, where the DSP was required to put forward wholesale enablers in the upstream markets<sup>38</sup>

<sup>36</sup> Ref. to Competition Policy - Explanatory Document dated October 21, 2015, Section 3.5.2 Margin Squeeze

<sup>37</sup> See: Section 3.5.7 of the Competition Policy - Explanatory Document 2015

<sup>38</sup> Similar provision is implemented in Bahrain (ref. Article 3.2 of the Retail Tariff Notification Regulation, dated 21 February 2016) and Oman (ref. Article 7 of the Retail Tariff Regulation, dated April 2016)

126. The CRA will also not approve Tariffs, where an underlying Tariff (e.g. GT&Cs or a Loyalty Scheme) has not been approved.
127. A Tariff approval will be considered void if the Tariff is not introduced in the market within 3 months. A new Tariff filing will be required after this period.
128. If concerns regarding a Tariff arise after it has been introduced in the market, the CRA may initiate an ex-post review of the Tariff.

As explained above further clarification and guidance on the tariffs rules and how they will be applied is necessary to allow the review of tariffs.

<p><b>4.3 Bundles</b></p> <p>129. DSPs must ensure that any Tariff filing involving bundled services, the Tariff identifies the separate charges or other Tariff elements that are applicable to each part of the bundled service or combination of services pertaining to the bundled Tariff package. Typically, any bundle offered by the DSP must be capable of being replicated by other SPs. Accordingly, DSPs must</p> <p>129.1 ensure that wholesale products are offered to other SPs that enable the provision of the same services (as the DSP);</p> <p>129.2 demonstrate that other SPs can replicate a bundled offer using either its own network or wholesale products currently provided, by the DSP.</p> <p>130. The DSP may be required by the CRA to offer the service elements of the bundle separately.</p>	<p>We refer the CRA to our comments in Part A and in relation to Article 4.1 above. We full agree that a core element of any rules around bundles is the question of replicability especially at a time when we can expect the introduction of converged fixed and mobile offers. Those offers from the incumbent operator can lead to a monopolisation of the mobile market, prevent the emergence of competition and undermine investment in fixed. This is particularly the case starting from a market structure where the incumbent has virtually 100% market share and there are no wholesale products in place.</p>
<p><b>5 Provisions specifically for non-DSP</b></p> <p>131. The following provisions are additional to those included in section 3 above.</p> <p><b>5.1 Tariffs - filing</b></p> <p>132. Non-DSPs are obliged to file the Type of Tariffs listed in Table 5 above.</p> <p>133. Non-DSPs must file the Tariff sending an email to tariffs@cra.gov.qa at the day the Tariff is introduced into the market at the latest, including the Tariff Document as per Annex IV.</p> <p><b>5.2 Tariffs - review</b></p> <p>134. The CRA will verify that the Tariff Document is consistent with the requirements set out in the ARF, specifically with sections 3.3.</p> <p>135. Once a complete filing has been received, the CRA will have 10 working days to (a) approve or (b) object to the Tariff and order its suspension, modification or withdrawal, or (c) extend the period for review.</p> <p>136. If the CRA decides that an extended review of a proposed Tariff is necessary, it shall notify the SP in writing and shall specify the procedures and timetable for the Tariff review, including any consultation or other relevant process with respect thereto, in accordance with the ARF or as determined by the CRA.</p> <p>137. If the concerns are not addressed to the CRA's satisfaction, the CRA may request that the non-DSP withdraws the Tariff.</p> <p>138. If after launch there are concerns that the tariff does not adhere to the ARF the CRA may initiate an ex-post review of the Tariff.</p>	<p>For the reasons set out above and in PART A of our submission we do not agree with these provisions.</p>
<p><b>5.3 Tariffs – approval</b></p> <p>139. With the exception of GT&amp;C Tariffs of non DSPs are not subject to explicit approval by the CRA.</p> <p>140. For GT&amp;C the filing and approval process follows the DSP process.</p>	<p>All tariffs of the DSP should be approved by the CRA. Non-DSP tariffs should not be subject to any approval except the GT&amp;C which should be reviewed and approved as per the CPP.</p>

## **6 Compliance, monitoring, enforcement and review**

### **6.1 Compliance**

141. The SP must comply fully with any and all procedures related to Retail Tariffs as established in the ARF.

### **6.2 Monitoring**

142. The CRA will monitor that the compliance of the SPs with this RTI, specifically but not limited to, against the following criteria:

- 142.1 Introduction of Tariffs neither filed nor approved nor published by the SPs in the market;
- 142.2 Introduction of discriminatory Tariffs, without an objective justification;
- 142.3 Consistency of the published Tariff Documents with those filed for / approved by the CRA;
- 142.4 Failure in communicating any Tariff modification<sup>39</sup> to affected Retail Customers at least 30 days prior to the change taking effect;
- 142.5 Refusal to provide required information; and
- 142.6 Delays in submitting required information.

143. Monitoring will be carried out, specifically but not limited to, through

- 143.1 checking the section of SPs' website where the commercial offers and Tariff Documents are published;
- 143.2 review of the completeness of the required information; and
- 143.3 investigations performed by the CRA.

### **6.3 Enforcement**

144. In the event of non-compliance, it shall result in one or a combination of the following enforcement provisions as stipulated under the Telecommunication Law:

- 144.1 Invoking the provisions of chapter sixteen (16) of the Law, whereby the SP shall be subject to criminal prosecution as a form of punishment for non-compliance with the relevant provisions of the Law and its license; and
- 144.2 Invoking the provision of Article 62-bis of the Telecommunication Law, whereby non-compliance is punishable with the imposition of one or more of the administrative penalties that are set out in Schedule 1 of the Law.

145. In addition to the above, the CRA shall take adequate actions to protect the Customers, including but not limited to:

- 145.1 Issuance of an Order to officially withdraw the Tariff, which could for a number of reasons ranging from misleading published GT&C to failure to file the Tariff prior to its introduction; compensation to the affected Customers shall be also required;
- 145.2 Issuance of an Order obliging the SPs to provide illegal Telecommunications Service for free to affected Customers until the expiry date of the contract.

### **6.4 Review**

This Instruction may be reviewed by the CRA from time to time to ensure it remains relevant to developments in the market.

Vodafone Qatar considers that it is critical for the CRA to minimise the risk of regulatory failure whereby material non-compliances are not addressed in a swift manner. To so do, we recommend that the RTI focusses on DSP and provide clear processes and appropriate timeline for enforcement. We can provide further comment once an amended Draft RTI focussed on DSP is consulted upon.

We do not think that Article 145.2 is appropriate as it could lead to distortion of competition.

## Annex IV Tariff Document - Template

### General Tariff Information

Service Provider Name	Name of Service Provider
Tariff Number	A unique number for identifying this Tariff (To be created by the Service Provider)
Marketing Name of the Offer	Generic name (e.g. post-paid mobile) and/or brand name (e.g. Shahrj)
Relevant Markets	The Relevant Market(s) in which the Tariff will be offered according to the MDDD (ref. section 1.2 above)
Tariff Type	Consumer or Business
Tariff Effective Date	Availability to customers
Tariff Version Number	To be created by Service Provider (promotions are suffixed)

### Tariff Details

Definitions	Definitions of terms used in this Tariff document
Tariff Terms and Conditions	Service specific terms and conditions
Service Description	A clear product description of the Service being offered with respect to what the Tariff proposes to deliver to Customers
Features*	
Charge Rates*	
Service Provider obligations	Which are not included in the SP's General Terms and Conditions, such as service availability and limitations – availability, maximum downtime, mean-time-to-repair, quality of service, speed, throughput, technical and geographical limitations.
Customer obligations	Which are not included in the SP's General Terms and Conditions
Equipment and technical interfaces [for Business Tariffs only]	Equipment owned/leased and supplied by the Service Provider, equipment provided by the customer, service demarcation point, standards/specifications of service interfaces.
Service Level Agreement [for Business Tariffs only]	Including measurable QoS Parameters. For example, service availability and limitations – availability, maximum downtime, mean-time-to-repair, quality of service, speed, throughput, technical and geographical limitations.

### Tariff Version Control

Tariff Version Number	Approval Date	Effective Date	Tariff Modifications
1.00	11 Aug 2008	18 Aug 2008	New Tariff
1.01	01 Sep 2008	10 Sep 2008	Local call price increase (4.1)
1.01a	06 Oct 2008	09 Oct 2008	July promotion for 8 weeks

\* For the ease of administration, those two sections can be combined by the SP

Vodafone Qatar has no comments at this stage.

**- END -**

# Retail Tariff Instruction (“RTI”) for Individually Licensed Service Providers

## Response Document and Second Consultation Document

**Response Date for the Second Consultation: August 30, 2018**

**CRARAC 2018/06/12**

June 12, 2018

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# Part I – Response Document

## 1 Background

1. On March 8, 2018, the Communications Regulatory Authority (“**CRA**”) issued a first consultation document (ref. CRARAC 2018/03/08, “**CD1**”) on the “Review of the Retail Tariff Instructions for Individually Licensed Service Providers (“**RTI**”)” and requested written comments.
2. On March 19, 2018, the CRA hosted an industry workshop to provide clarifications and to further involve the Service Providers (“**SPs**”) in shaping the new RTI. Ooredoo (“**OO**”), Qnbn and Vodafone Qatar (“**VFQ**”) attended the workshop.
3. The CRA received responses to the CD1 from OO, Qnbn and VFQ.
4. The comments received were reviewed by the CRA and relevant comments were taken into account when updating the Retail Tariff Instructions that forms the basis for this response and second consultation document (“**CD2**”).
5. This CD2 contains:
  - 5.1 (This) Part I – Response Document, including CRA’s responses to the comments provided to CD1.

As part of the consultation process and in the interest of transparency and public accountability, the CRA also makes the SPs the responses to the CD1 available.
  - 5.2 Part II – Instruction for responding to the CD2.
  - 5.3 Part III – Second draft of the new RTI for comments to the SPs.

## 2 Table of Responses to CD1

6. The tables below present an overview of the key comments received and the CRA's response.

### 2.1 CRA's Responses to General Comments

Consolidated Key Comments from all Respondents		
Respondent	Key Comments Received	CRA Response
<b>General comments on CRA's approach</b>		
Ooredoo	OO is of the view that CRA's proposed regulation does not facilitate development of new products and services and creates downward incentives for innovation and competition.	The regulation proposed by the CRA allows for the development of new and innovative products and services. However, for the purpose of promoting sustainable competition and safeguarding consumers the introduction of products and services must comply with the Applicable Regulatory Framework ("ARF").
	OO notes that CRA's references do not provide legal authority relevant to retail tariff regulations. OO suggests limiting the RTI section on 'legal bases to CRA's specific authority under the law to regulate retail tariffs.	There is no doubt that the CRA has the legal authority to issue regulation on retail Tariffs. However, following Ooredoo comments, the CRA reviewed the legal basis and e.g. removed references to wholesale charges.
	OO notes that the RTI contains remedies that cannot be found elsewhere or have not achieved the desired result (e.g. wholesale enablers).	The CRA's remedies are based on the needs of the Qatari market and international best practice. The CRA does not agree with OO's interpretation of the (non-)success of wholesale enablers in Bahrain or Oman.
	OO is of the view that the CRA has not substantiated its rationale for proposals. In addition, OO states that the CRA has not provided evidence of potential benefit to consumers resulting from implementation of proposals.	The CRA proposals are based on the needs of the Qatari market and international best practice. The benefit to consumers will come from increased sustainable competition in telecommunications markets and the maintenance of consumer safeguards.
	OO asks the CRA to publish all responses to the Consultation Document on its website.	The CRA intends to publish all responses.
	OO invites the CRA to a workshop to discuss our future service roadmap and business processes.	The CRA notes that it conducted a workshop in November 2017, prior to the Consultation Document being released. An industry workshop was also held in March 2018 to discuss the Consultation Document.

Consolidated Key Comments from all Respondents		
Respondent	Key Comments Received	CRA Response
		The CRA may hold an industry meeting/workshop during the second consultation phase in late July 2018
	OO does not support CRA's proposal to extend the period for approving the Tariffs from 5 to 10 days. According to Ooredoo the extended period would be an additional barrier and bottleneck to rollout of new services for DSPs.	Based on experience, the CRA finds a response time of 5 working days problematic. Therefore, the CRA will increase its maximum time it can take to respond to a Tariff Filing from 5 working days to 10 working days. If the CRA has concerns with a Tariff, the CRA will inform the Service Provider of these concerns at the earliest opportunity.
	OO asks the CRA to set up a Working Group for discussing changes (i.e. the relaxation) of the following provisions: <ul style="list-style-type: none"> <li>• Promotions and restriction not to be able to repeat offers for 6 months.</li> <li>• Minimum service periods of only 3 months for both consumer and business markets.</li> <li>• Minimum validity periods.</li> <li>• Requirements for separate contracts for handsets.</li> <li>• Geographic charges</li> </ul>	Unless the SPs provide substantiated reasons to relax these obligations, the CRA will maintain the list of restrictions in the current RTI on Service Providers to allow competition to develop and to safeguard consumers.
	OO points out that many provisions proposed by the CRA are intentionally designed to benefit one type of service provider over the other	The ARF is exceedingly clear on the obligation of a DSP vs a non-DSP. Regulatory best practice places obligation on DSPs to allow competition to develop in a market.
Vodafone Qatar	According to VFQ, the RTI should provide: <ul style="list-style-type: none"> <li>• Clarity and guidance on tariffs rules (e.g. no cross sub-subsidization, replicability, bundling).</li> <li>• Clarity and guidance, including methodology and parameters on how tariffs rules applied and tested in practice.</li> <li>• Methodology and parameters of economic tests to be undertaken by CRA must be clarified and consulted upon.</li> </ul>	The CRA has amended the draft RTI following VFQ comments. In addition, the Competition Policy provides clarity and guidance on e.g. economic tests.
	VFQ requires changes to the RTI aimed to: <ul style="list-style-type: none"> <li>• Address Ooredoo's super dominance in fixed.</li> <li>• Enable competing investment and competition in fixed.</li> </ul>	The first draft of the RTI already addressed Ooredoo's dominance in the fixed relevant markets. However, the CRA has amended the first draft to further clarify the obligations of DSPs.

Consolidated Key Comments from all Respondents		
Respondent	Key Comments Received	CRA Response
	<ul style="list-style-type: none"> <li>• Provide targeted/proportionate ex ante framework with appropriate guidance.</li> <li>• Provide protection against re-monopolization in mobile via convergence.</li> </ul>	<p>The CRA clarifies that the intent of the RTI is two-fold.</p> <ul style="list-style-type: none"> <li>• Firstly, to promote the development of competition in relevant markets by placing obligations on DSP that <i>ex ante</i> prevent anti-competitive conduct. This includes the requirement that all Tariffs of DSPs must be preapproved before introduction.</li> <li>• Secondly, to safeguard consumers by ensuring that information is available so that they may make informed decisions prior to purchasing a service.</li> </ul>
	<p>VFQ is of the view that the new RTI places insufficient emphasis on regulation of DSP and provides limited practical guidance on proposed controls.</p>	<p>The CRA disagrees.</p> <p>There were a number of restrictions contained in the first draft of the RTI applicable to DSP.</p> <p>The most important of these is the <i>ex-ante</i> requirement that all Tariffs require preapproval by the CRA. This gives the CRA powers to establish if the Tariff is anti-competitive or breaches consumer safeguards prior to its introduction.</p> <p>However, the second draft of the RTI has further clarified the obligations on the DSPs and provided for more clarity on the controls.</p>
	<p>VFQ notes that:</p> <ul style="list-style-type: none"> <li>• The CRA not provided market assessment or legal basis for expanding scope of current RTI to non-DSPs (especially related to discounts and non-discrimination).</li> <li>• The CRA proposals regarding competitive markets go beyond Telecommunications Law No 34 of 2006 amended by Law No 17 of 2017</li> </ul>	<p>The CRA has not expanded the scope of the new RTI. The CRA has incorporated obligations contained in Annex D of the License for the provision of Public Telecommunications Networks and Services.</p> <p>The new RTI is also consistent with developments in the markets since the publication of the current RTI and in discounting practices implemented by Service Providers.</p> <p>The CRA's proposals are fully in line with the Telecommunications Law in terms of Article 54 that provides the CRA with the authority to review all SP Tariffs and determine any requirements regarding Tariffs.</p>
	<p>VFQ recommends that CRA undertake a second phase of consultation</p>	<p>The CRA is currently undertaking a second consultation</p>
	<p>VFQ has no objection to CRA asking for information from the non-DSP as per Articles 83-87 of the first RTI. However, VFQ is of view that requirements need to be justified and proportionate.</p>	<p>The CRA expects that all information requests to a Service Provider will be justified and proportionate.</p>
<p><b>Comments on Price Increases</b></p>		

Consolidated Key Comments from all Respondents		
Respondent	Key Comments Received	CRA Response
	<p>VFQ</p> <ul style="list-style-type: none"> <li>Does not agree with CRA’s proposal that price increases put forward by non-DSP must be approved by CRA before their introduction. According to VFQ this requirement should only apply to DSP;</li> <li>States that 21 days prior notice for price increase is sufficient and in conformance with CPP.</li> </ul>	<p>With the development of competition, it is a reasonable expectation for prices to decrease. However, recently the CRA has seen apparently unmotivated price increases in the mobile and in the fixed market. If these price increases are not objectively justified they will have a negative impact on consumers, the Qatari economy in general and Qatar’s international ranking.</p> <p>The new RTI will require a Service Provider to submit an explanation for each proposed price rise in a Tariff Filing, not preventing it.</p> <ul style="list-style-type: none"> <li>With respect to notify Customers of a price rise, the CPP is the regulatory instrument that includes the relevant obligations.</li> </ul>
	<p>VFQ is of the view that obligation to Retail Offer uniform pricing all over Qatar should only apply to the DSP.</p>	<p>This is already in the current RTI and is confirmed by the CRA.</p>
General comments on which is the most suitable regulatory instruments to address certain issues		
Vodafone	<p>VFQ notes that:</p> <ul style="list-style-type: none"> <li>Topics related to Consumer protection and publication of the tariffs of non-DSPs must be addressed under Consumer Protection Policy;</li> <li>Tariff filling requirements in Article 81 of the new RTI is also covered in the Article 21 of the Consumer Protection Policy and should be cross referenced.</li> <li>Requirement proposed in Article 90 of the new RTI is not the best approach to raise consumer awareness of CRA. However, VFQ suggests including on invoice CRA’s logo and statement “<i>Tariff in Qatar are monitored by the CRA. To know more about the CRA visit <a href="http://www.cra.qa">www.cra.qa</a></i>”.</li> <li>Non-telecommunications (non-tariff) services such as ETR should be excluded from the RTI.</li> </ul>	<p>The CRA agrees that the ETR could be addressed when reviewing the National Numbering Plan.</p> <p>The CRA has kept some of the requirements related to customer protection such as publication requirements of a Tariff in the RTI. However, to ensure consistency between various regulatory instruments in other instances the RTI has deferred to the relevant regulatory instrument.</p>

## 2.2 CRA’s Responses to SPs’ Comments to Consultation Questions

Consolidated Key Comments from all Respondents		
Consultation question	Key Comments Received by respondents	CRA Response
<p>Question 1</p> <p>Taxonomy of the tariffs</p> <p>Do respondents agree with CRA's proposed taxonomy of the Tariffs?</p>	<p>Ooredoo states that CRA's proposal is confusing and without merit for the following reasons:</p> <ul style="list-style-type: none"> <li>• GT&amp;Cs do not meet definition of tariff as in Bylaws. A Tariff is concerned with prices, rates and charges. GT&amp;Cs as part of retail tariff instruction are misplaced.</li> <li>• Standard tariff as defined by the CRA is synonymous with tariffs for permanent, promotional and for discounts and loyalty programs. Hence, SPs have to file, justify, publish their loyalty and discount programs. The likely outcome is SPs decide not to Retail Offer discounts or loyalty programs.</li> <li>• Classifications proposed by the CRA is not workable. E.g., bespoke tariff is permanent tariff, and permanent tariff is standard tariff. Bespoke tariffs defined as not accessible to all retail Customers is contrary to the CRA's existing definition of standard tariff (see Glossary, RTI 2015) - "<i>a tariff that is available to all Customers.</i>" Moreover, the bespoke tariff neither is a standard tariff nor it is necessarily permanent. The CRA has not provided supporting rationale for why needs increase regulatory oversight in this area.</li> </ul> <p>VFQ notes that:</p> <ul style="list-style-type: none"> <li>• BLTL threshold be augmented to 5% of each Relevant Market or 10% of combined revenues of all Relevant Markets.</li> <li>• It has no issue with maintaining a pre-defined register for BTLT offers however data is real time and offered to specific or a small group depending on their willingness to take the Retail Offer and cannot be reported on a daily or weekly basis. Definition of Bespoke Tariffs must be changed to "any non-standard arrangement where non-standard tariffs are offered or where there is bundling of different tariffs with or without other benefits including non-telecommunication services (handsets and Nojoom points) are offered to Customers."</li> </ul>	<p>Regarding the GT&amp;Cs the CRA notes that SPs are obliged to file them to the CRA for approval (ref. article 96 of the Bylaws). The new RTI confirms this requirement and refers to the CPP to avoid duplicating the obligations. The taxonomy of the Tariffs has been reviewed.</p> <p>Hence, in the second draft of the RTI, the CRA has taken the GT&amp;Cs away from the taxonomy of Tariffs and has inserted a clause regarding the requirement of the SPs to submit the GT&amp;Cs.</p> <p>With reference to the definition of a Bespoke Tariff, this has been reviewed and is consistent with the obligations on non-discrimination.</p> <p>With reference to the BLTL threshold, the CRA does not have information on the current level of these offers. The SPs are invited to provide substantiated information allowing the CRA to review and augment the threshold.</p>
<p>Question 2</p> <p>Non-discrimination</p>	<p>Ooredoo:</p>	<p>The CRA welcomes both specific Tariffs and discounting schemes that comply with the ARF as competitive tools that</p>

Consolidated Key Comments from all Respondents		
Consultation question	Key Comments Received by respondents	CRA Response
Do respondents agree with CRA's understanding of the ARF? If not, please provide explicit legal reasoning and the relevant effects	<ul style="list-style-type: none"> <li>Does not agree with the objective justification required as part of tariff approval process regardless of whether a service provider is dominant or non-dominant</li> <li>Notes that no provision in Telecoms Law, Bylaws or Individual licenses requires the justification of discriminatory pricing discounts</li> <li>States that it is not aware of this regulatory practice elsewhere or in the GCC</li> <li>Is of the view that CRA's proposed regulation is out of place in an industry where decisions must be made quickly and according to external schedules</li> <li>Notes that regulatory requirements for the objective justification of discounts would be better placed on ex-post basis.</li> <li>States that parameters for objective justification must be clearly defined in regulatory instruments so they are transparent</li> <li>Considers that, any proposals that do not allow discounts or define the time period of discounts, have no economic merit</li> <li>Argues that price discrimination is recognized as a means to enhance overall welfare / market efficiency (ref. Ofcom)</li> <li>States that in absence of precise justification criteria, SPs would not be capable of producing justification that will guarantee the CRA's approval.</li> <li>Is of the view that the requirement to submit each case of differential pricing for preapproval negatively impacts the market dynamics</li> <li>Suggests the CRA to focus only on the potential anti-competitive aspects associated with the price discrimination</li> <li>Proposes that SPs must be allowed to provide discounted tariffs to the education sector and persons of special needs to support Qatar's national policies of digital transformation and inclusion.</li> </ul> <p>Qnbn expresses concerns with the expectation of the CRA that whenever it introduces retail tariffs it will file up an objective justification that tariffs are non-discriminatory.</p>	<p>benefit consumers via lower prices and/or via services tailored on the specific needs of Customers or Customers groups.</p> <p>Accordingly, the CRA is proposing that all SPs may provide specific Tariffs or discounts <b>to any market sector</b> (including educational, charities, special needs and disabilities etc.) <b>providing that</b> all Customers or Customer groups meeting the same qualifying criteria within the specific market sector are offered/made aware of and have access to the available Tariffs or discounts.</p> <p>In doing so the SP must:</p> <ol style="list-style-type: none"> <li>1. File the Tariff with the CRA;</li> <li>2. Clarify in the Tariff Document the criteria required for Customers or Customers groups to obtain the Tariff(s);</li> <li>3. Publish the Tariff Filing as required by the RTI;</li> <li>4. Apply the criteria to Customers or Customers groups as specified in the Tariff Document; and</li> <li>5. Limit the discounts to the 20% of the approved relevant Tariff. This limit is based on CRA understanding of the profitability of the SPs. With this limit the CRA is of the view that 1) proposed prices will not be below costs 2) proposed prices will be replicable by the competitors 3) SPs could move towards efficient headline prices. To be more competitive with discounts, SPs are always welcome to lower their headline prices. This will benefit all customers and not only those with a high(er) bargaining power.</li> </ol> <p>SPs are asked to provide their view on this limit, along with their proposed "percentage".</p> <p>In addition to this, in order to comply with the provisions of the ARF (i.e. Telecommunications Law, Article 43 Abuse of</p>



Consolidated Key Comments from all Respondents		
Consultation question	Key Comments Received by respondents	CRA Response
	<p>VFQ notes that:</p> <ul style="list-style-type: none"> <li>• Provision of non-discrimination must be applicable only on the DSP. Only DSPs require objective justification for each and every discount</li> <li>• For services provided in competitive market objective justification neither justified nor necessary</li> </ul>	<p>Dominance, Article 44 Prohibition of Unjustified discrimination and Section 3.5.4 of the Competition Policy - Explanatory Document 2015), a <b>DSP</b> is also required to objectively justify the specific Tariff or discounts, demonstrating – amongst others – that a specific Tariff or discounts is also above cost.</p>
<p>Question 3 Discounts Do respondents agree with CRA’s understanding of the ARF? If not, please provide explicit legal reasoning and the relevant effects.</p>	<p>Ooredoo notes that:</p> <ul style="list-style-type: none"> <li>• Article 43 (4) of Telecoms Law provision is relevant to interconnection and access agreements. Does not have any relevance to ‘retail tariff regulation.</li> <li>• Annex I, Section 3.4 of the Individual License a DSP is allowed to provide discounts on public Telecommunications Service as long as discounts do not have an effect of foreclosing another SP from telecommunications market.</li> <li>• No legal requirement for ex ante regulatory approach, any justifications for regulations in this area must be substantiated by evidence that the costs involved for meeting requirement do not outweigh the desired benefit.</li> <li>• The CRA proposal (ref. Article 3.9 of new RTI) to require DSPs as well as non-DSPs to justify each and every discount overly burdensome. This will result in approval process that is bound to be arbitrary and labor intensive in absence of clear, reasonable and objective criteria.</li> </ul> <p>Qnbn states that it should not be prevented from making differential offers and differential treatment in its retail tariffs where warranted by objectively justifiable circumstances.</p> <p>VFQ notes that:</p> <ul style="list-style-type: none"> <li>• DSP must not offer any discounts unless justified and pre-approved by the CRA;</li> </ul>	<p>Refer to CRA response to Question 2.</p>

Consolidated Key Comments from all Respondents		
Consultation question	Key Comments Received by respondents	CRA Response
	<ul style="list-style-type: none"> <li>• It disagrees with CRA's legal interpretation regarding discounts and non-discrimination. According to VFQ restrictions imposed on non-DSP are neither justified nor necessary;</li> <li>• Provision of no undue discrimination should apply only on the DSP;</li> <li>• DSPs must be required require objective justification for each and every discount</li> <li>• For services provided in competitive market, the objective justification is neither justified nor necessary</li> <li>• Non-DSP must allowed to offer discount for Corporate Social Responsibility (CSR) purposes including specific discounts Customers registered with Qatar Society for Rehabilitation of Special Needs (QSRSN) – (current RTI Clause 3.11- Provisions for Specific Discounts” allows up to 50% discounts for Customers registered with QSRSN)</li> </ul>	
<p>Question 4 Discount Matrix Do the respondents agree with CRA's proposal?</p>	<p>Ooredoo is of the view that the discount matrix will most likely have a negative effect on the sector by:</p> <ul style="list-style-type: none"> <li>• Changing the underlying tariff, i.e. if all Customers can ask for a discount than the price of the tariff fundamentally changed.</li> <li>• Increasing the regulatory costs as proposal links approval of matrix of discounts with standard tariff and requires SPs to provide justifications for the matrix.</li> <li>• Limiting flexibility for how SP respond to competition in market and provide differential price points that change from time to time based on contracts with partners, customer usage of services etc..</li> <li>• Providing intelligence to our competitors that will enable them to undercut our discounts even before we present them to our own Customers.</li> </ul> <p>Ooredoo also notes that:</p> <ul style="list-style-type: none"> <li>• It is not aware of other markets in region or elsewhere where Telecommunications Service providers required to submit/publish a discount matrix.</li> </ul>	<p>The CRA notes that a 'Matrix of Maximum Permissible Discounts' ("Discount Matrix") is <b>optional</b> for the SPs to gain some flexibility. Hence, the decision on whether or not to introduce a Discount Matrix stays with the SPs.</p> <p>Information to be provided to support the Discount Matrix must include:</p> <ul style="list-style-type: none"> <li>• The Customer, or group of Customers the discounts apply to;</li> <li>• The range of discounts being offered; and</li> <li>• The criteria for Customers obtaining the discounts contained in the Discount Matrix.</li> </ul> <p>To inform Customers of the potential to obtain a discount, the Matrix should be published as part of the Standard Tariffs.</p>

Consolidated Key Comments from all Respondents		
Consultation question	Key Comments Received by respondents	CRA Response
	<p>Qnbn notes that it is well-established practice in telecom markets to provide discounts for increasing 'total spends' by a retail customer given justifications such as cost savings, efficiency benefits, scale of economies and capacity utilization.</p> <p>VFQ is of the view that:</p> <ul style="list-style-type: none"> <li>• Only DSPs must be subject to discounting restrictions including proposed Discount Matrix. This is as per the ARF which only prohibits discounts by DSP.</li> <li>• The objective justification column should be left blank for the DSP to provide more details (Article 29) than just stating "Cost savings or Scale Economies"</li> </ul>	
<p>Question 5 Bundled Services Are there any considerations the CRA needs to make with respect to Bundled Services provided by a SP?</p>	<p>Ooredoo states that:</p> <ul style="list-style-type: none"> <li>• SPs must be afforded agility to develop unique bundles in partnership with content providers and others to meet growing demand from Customers for digital services</li> <li>• The proposals put forward by CRA not allow a DSP to launch bundled offers</li> <li>• The demonstration that other SPs can replicate a bundle is not productive from a regulatory/commercial perspective. This requirement represents overreach of regulatory authority</li> <li>• Telecoms Law, Bylaws and Individual license do not provide references linking retail tariff regulation with availability of wholesale offers or extend the regulatory umbrella to non-telecommunications services</li> </ul> <p>Ooredoo's recommendation for tariff proposals involving bundled services is that:</p> <ul style="list-style-type: none"> <li>• Regulatory intervention should be on an ex post basis, i.e. evaluated based on whether the tariff is below cost and does not cross-subsidy. Margin squeeze test should not be applied</li> </ul>	<p>Bundled discounts occur when a multi-product SP offers a bundle of products at a lower price than when the individual products are purchased on a stand-alone basis. Bundles reduce the effective price that buyers face, above a certain threshold and are related to cost savings.</p> <p>The CRA welcomes bundled services from all SPs, as long as they conform to the ARF.</p> <p>Bundles provided by a DSP must not be anticompetitive. This applies both to instances when the bundle comprises (i) of telecommunications services only such as a mobile voice and mobile data bundle and (ii) when the bundle consists of a telecommunications service and a non-telecommunications services such as an internet service and IPTV bundle.</p> <p>In line with regulatory best practice and with the scope to promote competition in bundled services, the CRA will assess <i>ex ante</i> each bundled service of a DSP contained in a Tariff Filing with regard to e.g. whether the price of the bundle is below the combined cost of the individual services within the bundle.</p>

Consolidated Key Comments from all Respondents		
Consultation question	Key Comments Received by respondents	CRA Response
	<ul style="list-style-type: none"> <li>The approval of the tariff should not be contingent upon providing cost information related to non-telecommunications services or services requirements met under wholesale regulatory instruments</li> </ul> <p>Ooredoo also states that its review of regional and international practices confirmed that regulation regarding bundles provided by DSP shows that:</p> <ul style="list-style-type: none"> <li>Bundles are primarily regulated on an ex post basis</li> <li>Bundles are permitted where aggregate prices are above costs and incremental prices are not below incremental costs</li> <li>Approval of the bundles is not linked to wholesale reference offers.</li> </ul> <p>Qnbn states that CRA should only be concerned when bundled services are offered by DSP. Non-DSP should be free to Retail Offer bundles services subject only to the non-discrimination obligation.</p> <p>VFQ notes that third parties such as Ooredoo's premium partner Jumbo electronics are currently selling handsets bundled with Postpaid Plans. Premium partners also send out targeted SMS to all Vodafone Qatar Customers. The CRA must prohibit premium partners from selling telecommunications products or bundles or apply requirements to prohibit the bundles (e.g. adding an article stating "4.8 - Any other entity selling telecommunication services or products in Qatar").</p>	
<p>Question 6</p> <p>Wholesale Enablers</p> <p>Are there any further considerations the CRA needs to take into account?</p>	<p>Ooredoo is of the view that:</p> <ul style="list-style-type: none"> <li>Based on the ARF, The CRA has not the authority not link retail with wholesale regulation including approvals for retail tariffs based on the availability of wholesale reference offers;</li> <li>This link cannot be considered a regional best practice for the following reasons: <ul style="list-style-type: none"> <li>Practice is not widely adopted in Gulf.</li> <li>Linkage of tariff approvals with availability of wholesale offers in Oman and Bahrain not turned out to be enabler of desired result.</li> </ul> </li> </ul>	<p>The CRA is minded to tie the introduction of a Tariff by a DSP with the availability of a relevant wholesale product offered by the DSP that will allow another SP to purchase the wholesale product and to compete with the DSP in the retail market. The advantage of this is increased service-based competition in retail markets.</p> <p>The disadvantage of this is that Customers may be denied the introduction of new Tariffs until an equivalent wholesale Tariff is developed.</p>

Consolidated Key Comments from all Respondents		
Consultation question	Key Comments Received by respondents	CRA Response
	<ul style="list-style-type: none"> <li>• Availability of wholesale offers in Omani and Bahraini not led to price points for leased lines services that can compare favorably with Qatar.</li> <li>• Regulatory obligations imposed in Oman and Bahrain require DSPs to provide access to host of wholesale services combined with strict retail tariff approvals led to detrimental market outcomes such as underinvestment in telecoms infrastructure and high retail prices.</li> </ul> <p>Qnbn states that the CRA should consider to transfer the ownership of some network component to a neutral entity such as Qnbn.</p>	<p>The CRA notes that in other jurisdictions enforcement rules helped the Regulatory Authorities to put forward wholesale reference offers for active products such as bitstream/VULA and leased lines. In Qatar, given the limits to CRA's enforcement power, a different approach is needed. For this reason, the CRA will retain the requirement for equivalent wholesale offers from a DSP in the New RTI but will weight up its relevance in terms of advantages and disadvantages for each Tariff filed by a DSP.</p>

### 3 Main Changes to the Draft RTI as per CD1

7. The table below shows the main changes to the first draft of the RTI. The CRA has also generally reviewed the wording to make the RTI clearer.

Topic	Change	Reference to the Draft RTI
General Terms and Conditions (“ <b>GT&amp;C</b> ”)	Obligations on GT&C have been separated from those on Tariffs. The CRA may move the obligations on GT&C to the forthcoming version of the Consumer Protection Policy (“ <b>CPP</b> ”).	Section 3 (various tables and paragraphs) Section 3.6
Taxonomy of the Tariffs	The CRA has reviewed the definitions..	Section 3.1
Non-discrimination and Discounts	The CRA has reviewed the obligations on SPs, allowing for more flexibility on the introduction of specific Tariffs and discounts. Essentially, both DSPs and non-DSPs may offer discounts up to 20%, as long as they are i) non-discriminatory ii) filed and iii) published. Essentially, DSPs need to prove that discounted tariff is above cost.	Section 3.7 and 3.8
Minimum Validity Period	The CRA may move the obligations on GT&C to the forthcoming version of the CPP.	Section 3.10
Tariff – changes – information to Customers	All provisions related to the information on e.g. prices changes, GT&Cs modifications, withdrawal of services, etc. have been removed from the RTI. The obligations included in the CPP apply.	n/a
Easy To Remember Numbers	The CRA may review and move this obligation in forthcoming version of the National Numbering Plan.	Section 3.13

# Part II – Instructions for Responding to the Second Consultation

## 1 Process and Timeframe

### 1.1 Consultation Procedures for Second Review

1. SPs are invited to provide comments on the Second Draft RTI (ref. Part III of this Document).
2. The CRA asks that, to the extent possible, comments and proposals are supported by substantiated evidences.
3. If a respondent is in disagreement with any approach proposed by the CRA, the respondent is requested to provide, in its response:
  - 3.1 The reasons for disagreement;
  - 3.2 Its alternative proposal in a clear and concise manner;
  - 3.3 All assumptions, relevant justifications and references of all data sources behind its alternative proposal.
4. Any submissions received in response to this second Consultation Document (“**CD2**”) will be carefully considered by the CRA. Nothing included in this CD2 is final or binding. However, the CRA is under no obligation to adopt or implement any comments or proposals submitted.
5. Comments should be submitted by email to raconsultation@cra.gov.qa, copying in Francesco Massone (fmassone@cra.gov.qa) and Stephen Nelson (snelson@cra.gov.qa) before the date stated on the front cover. The subject reference in the email should be stated as “Consultation on Retail Tariff Instructions – Phase 2”.
6. It is not necessary to provide a hard copy in addition to the soft copy sent by email.
7. The deadline for all respondents to submit their comment is indicated on the cover page of this document.

### 1.2 Timeframe for the Second Review

8. The SPs are requested to submit their responses by the dated indicated on the cover page.
9. The CRA will hold an industry meeting in late July 2018 if requested by the SPs. Requests for an industry meeting with preferred dates, likely attendances and topics to be discussed should be forwarded to Francesco Massone (fmassone@cra.gov.qa) and Stephen Nelson (snelson@cra.gov.qa) before July 1, 2018 with the subject heading “Industry Meeting Request - RTI”.
10. The CRA plans to issue the new RTI in September 2018.

## 2 Publication of Comments

11. In the interests of transparency and public accountability, the CRA intends to publish the submissions to this consultation on its website at [www.cra.qa](http://www.cra.qa).
12. All submissions will be processed and treated as non-confidential unless confidential treatment of all or parts of a response has been requested.
13. In order to claim confidentiality for information in submissions that stakeholders regard as business secrets or otherwise confidential, stakeholders must provide a non-confidential version of such documents in which the information considered confidential is blacked out. This “blackened out” portion/s should be contained in square brackets. From the non-confidential version, it has to be clear where information has been deleted. To understand where redactions have been made, stakeholders must add indications such as “business secret”, “confidential” or “confidential information”.
14. A comprehensive justification must be provided for each and every part of the submission required to be treated as confidential. Furthermore, confidentiality cannot be claimed for the entire or whole sections of the document, as it is normally possible to protect confidential information with limited redactions.
15. While the CRA will endeavor to respect the wishes of respondents, in all instances the decision to publish responses in full, in part or not at all remains at the sole discretion of the CRA.
16. By making submissions to the CRA in this consultation, respondents will be deemed to have waived all copyright that may apply to intellectual property contained therein.
17. For more clarification concerning the consultation process, please contact Francesco Massone ([fmassone@cra.gov.qa](mailto:fmassone@cra.gov.qa)) or Stephen Nelson ([snelson@cra.gov.qa](mailto:snelson@cra.gov.qa)).



# Part III –New RTI - Second Draft

## 1 Introduction

### 1.1 Objective and Scope

1. This Retail Tariff Instruction (“**RTI**”) sets out the procedures and requirements that apply under the Applicable Regulatory Framework (“**ARF**”) in relation to Retail Offers for telecommunications services provided by Service Providers Licensed in Qatar.
2. This RTI applies to Individually Licensed Service Providers (“**SPs**” or “**Licensees**”) who offer telecommunication services to the public, both Dominant Service Providers (“**DSP**”) and non - Dominant Service Providers (“**non-DSPs**”).
3. This RTI is effective from **MM/DD/YYYY**. The effective date will be included in the Final version of the RTI.
4. This RTI applies to Tariffs, defined in accordance with the Individual Licenses and the Executive By-Law to mean:  
*“any statement of prices, rates, charges or other compensation of any form (including related service descriptions or terms and conditions such as rebates, waivers or discounts) offered by a Service Provider regarding any of its services”*
5. Wholesale Tariffs or charge controls for wholesale Tariffs fall outside the scope of this RTI.
6. This RTI must be read in conjunction with the ARF, including amongst others, but not limited to:
  - 6.1 The Statement of Competition Policy and Explanatory Document, dated October 21, 2015<sup>1</sup>;
  - 6.2 The Telecommunications Consumer Protection Policy, issued in January 2014<sup>2</sup>; and
  - 6.3 The Code on Advertising, Marketing and Branding (ref. CRA-CGA/1305/14/ng, issued on September 25, 2014)<sup>3</sup>.
7. This RTI **replaces**:
  - 7.1 All previous versions of the RTI;
  - 7.2 The “Notice Revised Interim Rules for Retail Tariff Assessment”<sup>4</sup>;
  - 7.3 The Order setting forth the rules and instructions for on-net/off-net price differentiation for Dominant Service Providers in Qatar dated 15 May 2011 (ICTRA 2011/05/15); and
  - 7.4 The Annexures relating to Retail Tariffs (Annexure D) of the Individual Licenses.

### 1.2 Background

8. This RTI has been developed by the Communications Regulatory Authority (“**CRA**”), All the steps followed in the proceeding will be included in the final version of the RTI

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<sup>1</sup> Available at <http://cra.gov.qa/en/document/documents-related-cras-competition-framework>

<sup>2</sup> Available at <http://cra.gov.qa/en/document/consumer-protection-policy>

<sup>3</sup> Available at <http://cra.gov.qa/en/document/code-advertising-marketing-and-branding>

<sup>4</sup> RA-ASG/02-281211

following a consultation process started in March 2018.

9. As Retail Offers and the associated Tariff proposals differ and evolve, this RTI cannot be exhaustive. This RTI provides guidance on how the CRA intends to proceed with Tariff reviews and/or approvals in a **typical** case. In the event the CRA adopts an approach which is materially different from this RTI, a detailed justification will be provided to SPs.

## 2 Legal Basis

### 2.1 The Telecommunications Law issued by Decree No. 34, 2006 (“Telecommunications Law”) as amended by Law No. 17 of 2017

10. Articles 4(4) and 4(8) allow the CRA to set and enforce appropriate remedies to prevent SPs from engaging in or continuing anticompetitive practices and empowers the CRA to safeguard the interests of Customers, including setting rules for Tariff regulation.
11. Article 26 empowers the CRA to determine the elements necessary for the provision of Tariff offers, their approval and publication in respect to telecommunications services. The CRA may also set out other rules for regulating prices and Tariffs including the implementation of any program for rate rebalancing or price cap.
12. Article 28 states:  
*“Dominant service providers must submit to the CRA the offers for the tariffs, prices and charges of the telecommunications services in the markets where they have been designated as dominant service providers and obtain the prior approval for them.”*
13. Article 31 states:  
*“The dominant service provider must not apply or change any tariffs, prices or charges or any other consideration that are contrary to the tariffs approved by the CRA. Any agreement or arrangement between the service provider and the Customer to the contrary is prohibited.”*
14. Article 44 states:  
*“Dominant service providers shall offer equivalent terms and quality of service for all customers including tariffs, and the CRA may permit differing terms if such terms are objectively justified based on differences in supply conditions including different costs, traffic volumes, or shortage of available facilities or resources. This prohibition shall also apply between customers who obtain a service for resale to their end customers. The dominant service provider must submit to the CRA sufficient justifications regarding any discrimination and must cease the discrimination upon receipt of a notice in this regard from the CRA.”*
15. Article 51 (1) states:  
*“The service provider must provide the consumer, before the consumer subscribes to the service or before the consumer incurs any commercial obligation to the service provider, with the terms of the service and any other terms and conditions and all*

*tariffs, rates and costs applicable to any telecommunications service.”*

16. Article 51 (2) states:

*“The service provider shall not charge a consumer except the service fee specified to telecommunications or the specified fee for telecommunications equipment ordered by the consumer. The consumer shall not be liable to pay any fee for any service or equipment relating to telecommunications that the consumer has not ordered.”*

## **2.2 The Executive By-Law of 2009 for the Telecommunications Law (“By-Law”)**

17. Article 1 defines a Tariff as:

*“any statement of prices, rates, charges or other compensation of any form (including related service descriptions or terms and conditions such as rebates, waivers or discounts) offered by a Service Provider regarding any of its services”.*

18. Article 6 empowers the CRA to take measures, actions and decisions, as it deems appropriate to ensure that Individual Licensees and SPs comply with the provisions of the law, the By-law and the provisions of the Individual Licenses or to remedy their breaches.

19. Article 54 provides that the CRA shall have the authority to review all SP Tariffs, including retail Tariffs, and to determine any requirements regarding Tariffs, their approval and publication, and the CRA may issue regulations or orders to regulate the Tariffs of SPs.

20. Article 56, applicable to DSPs, states:

*“Tariffs that are subject to filing with and approval by the CRA shall enter into force only after they have been approved by a decision from the CRA.”*

21. Article 75 states:

*“Dominant Service Providers are prohibited from undertaking any activities or actions that abuse their dominant position. In addition to the conduct and activities specifically identified in Article 43 of the Law, the CRA may prohibit any other action or activities engaged in by a Dominant Service Provider that the CRA determines to have the effect or to be likely to have the effect of substantially lessening competition in any telecommunications market.”*

## **2.3 Emiri Decree No. (42) of 2014 Establishing the Communications Regulatory Authority (“Emiri Decree”)**

22. Article 4 of the Emiri Decree makes the CRA responsible for regulating the communications information technology and the post sector, as well as access to digital media, with the aim of providing advanced and reliable telecommunication services across the State.

23. Article 4(1) empowers the CRA to set Regulatory frameworks for the communications, information technology, the post sector, and access to digital media, in line with the general policies of the sector and to enable optimum performance.

- 24. Article 4(2) charges the CRA with actions finalized to encourage competition and prohibit or minimize anti-competitive practices, prevent misuse by any person or entity of its market dominance position, and take all necessary measures to achieve this.
- 25. Article 4(4) requires the CRA to protect the rights and interests of the public and Service Providers in the market, promote transparency and provide advanced, innovative and quality services at affordable prices to meet the needs of the public.
- 26. Article 15(2) requires the CRA to develop appropriate Tariff regulations, giving priority to the telecommunications market, or telecommunications services according to market requirements, and determine fees for retail and wholesale.

**2.4 The Individual Licenses issued to Service Providers**

- 27. Clause 3 of the Individual Licenses authorizes the SPs to provide the specified telecommunications networks and services in accordance with the terms and conditions of the Individual Licenses and its annexures, relevant legislation, international treaties, and any regulations, including instructions issued by the CRA before or after the effective date of the Individual Licenses. Accordingly, the CRA may from time to time issue additional requirements as part of the terms and conditions of the Applicable Regulatory Framework (ARF), which are binding on the SPs.
- 28. Clause 10<sup>5</sup> of the Individual Licenses provide obligations of the SP to Customers. This includes stipulations regarding compliance, billing, and suspension of Mandatory Service.
- 29. In addition the Licenses require the SPs to:
  - 29.1 Provide services to the Customers in accordance with terms and conditions that comply with the Applicable Regulatory Framework, including, among other things, the Tariff procedures<sup>6</sup>;
  - 29.2 Comply with all decisions and regulations issued by the CRA including but not limited to those governing pricing and Tariffs<sup>7</sup>;
  - 29.3 Not engage in any anticompetitive practices that prevent, hinder or substantially lessen competition, as stipulated in the Applicable Regulatory Framework, including the provisions of Annexure I of their Licenses<sup>8</sup>.

**2.5 Summary of the Key Obligations**

30. The table below summarizes key obligations of the SPs regarding Tariffs in accordance with the ARF.

Obligation	Source of the Obligation	Applicable to	
		DSPs	Non-DSPs
Non-Discrimination	Law: Article (44) Prohibition of unjustified discrimination	Y	n/a
	By-Law: (-)	(-)	(-)

5 Or Clause 9, depending on the License

6 Article 10(1) of Ooredoo, Vodafone, Es'hailSat Licenses; Article 9(1) of Qnbn License; Article 9 of Harris Salam, QSAT, and Rignet Licenses

7 Article 14(1) of Ooredoo, Vodafone, Es'hailSat Licenses; Article 13(1) of Qnbn License; Article 12(1) of Harris Salam, QSAT, and Rignet Licenses

8 Article 14(3) of Ooredoo, Vodafone, Es'hailSat Licenses; Article 13(3) of Qnbn License; Article 12(3) of Harris Salam, QSAT, and Rignet Licenses

Obligation	Source of the Obligation	Applicable to	
		DSPs	Non-DSPs
	Individual Licenses	(-)	(-)
	This RTI (Section 3.7 and 4.1)	Y	Y
Filing of the Tariffs with the CRA	Law: Article (28) Submission of Tariff Offers and Prior Approval	Y	(-)
	By-Law: Article (54) – Authority of the CRA to request filing	Y	Y
	Individual Licenses:	(-)	(-)
	This RTI (Section 3.2 and 4.1)	Y	Y
Approval of CRA before making the Tariffs available to the Customers	Law: Article (28) Submission of Tariff Offers and Prior Approval	Y	N
	By-Law: Article (56)	Y	N
	Individual Licenses:	(-)	(-)
	This RTI (Section 3.3 and 4.2)	Y	n/a
Publication of Tariffs	Law: (-)	(-)	(-)
	By-Law: Article (57)	Y	N
	Individual Licenses	(-)	(-)
	This RTI (Section 3.4)	Y	Y

Y yes

N no

n/a not applicable

(-) not included

Table 1: Key obligations of SPs regarding Tariffs

### 3 General Provisions for all Service Providers

31. Except where explicitly stated otherwise, this section sets out provisions for all SPs - both DSPs and non-DSPs.

#### 3.1 Tariffs – General provisions and Taxonomy

32. All retail services<sup>9</sup> must be offered pursuant to a Tariff.
33. For the ease of reference, the following Table 2 serves as a summary of the most important Tariff processes.

Type of SP Tariff type	DSP			Non-DSP		
	Standard Tariffs <sup>10</sup>	Below the Line Tariffs	Bespoke Tariffs	Standard Tariffs <sup>11</sup>	Below the Line Tariffs	Bespoke Tariffs
Tariff Filing	Y	n/a	Y	Y	N	Y
Approval	Y	n/a	Y	N	N	N
Publication	Y	n/a	Y	Y	N	Y
Monitoring	Y	n/a	Y	Y	Y	Y

<sup>9</sup> As defined by the By-Law, these entails any retail services offered by the SPs

<sup>10</sup> For the avoidance of doubt, Tariff specific T&Cs are part of the Tariff

<sup>11</sup> ibid

Compliance	Y	n/a	Y	Y	Y	Y
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Table 2: Summary of most important Tariff processes

34. The table below displays a taxonomy of Tariffs.

The CRA has moved the obligations on General Terms and Conditions to section 3.6.

Tariff Category	Definition <sup>12</sup>	Examples	Tariff Type
Standard Tariff (“ST”)	<p>A Tariff made available by a SP to all Customers (i.e. all business and residential) or groups of Customers (e.g. All business or all residential).</p> <p>A ST may include a matrix of discounts, where the addressable Customers and the criteria are clearly identified.</p>	<p>Offers available to the general public. The Tariffs are typically split in consumer and business Tariffs.</p> <p>E.g.</p> <ul style="list-style-type: none"> <li>• Prepaid mobile residential</li> <li>• Postpaid mobile business</li> </ul>	<ul style="list-style-type: none"> <li>• Permanent Tariffs</li> <li>• Promotional Tariffs</li> <li>• Loyalty Programs</li> </ul>
Below the Line Tariff (“BTLT”)	<p>A Promotional Tariff, made available by a non-DSP<sup>13</sup> to a specific Customer or group of Customers (and not accessible to all Customers). A BTLT must be of negligible value and therefore by its nature does not adversely affect competition.</p> <p>BTLTs are also called “customer value management” offers.</p> <p>For any Relevant Market, in any month, non-DSPs can offer BTLT lower or equal to 2% of the total monthly revenues of the Relevant Market</p>	<p>“call to India for QAR 0.10 if you pay QAR 1 per week extra”</p> <p>“get QAR 10 top-up bonus if you top up with QAR 200 or more”</p>	<ul style="list-style-type: none"> <li>• Promotional Tariffs</li> </ul>
Bespoke Tariff (“BT”)	<p>A Permanent Tariff made available by a SP to a specific Customer or group of Customers (and not accessible to all Customers)</p>	<ul style="list-style-type: none"> <li>• A mobile call plan for employees of a certain organization</li> <li>• A service for special projects/tenders</li> </ul>	<ul style="list-style-type: none"> <li>• Permanent Tariff</li> </ul>

Table 3: Taxonomy of Tariffs

<sup>12</sup> The definition does not differentiate Tariffs according to who the recipients of the offers are. For example, a Tariff could be addressed to all Customers or to only a group of Customers

<sup>13</sup> A BTLT can only be offered by a non-DSP.

## 3.2 Tariffs - Filing

35. The SP must file with the CRA all and any Tariffs as per Table 4 below

Tariff Category	Types of Tariffs	Filing obligation	
		DSP	Non-DSP
Standard Tariffs (“ST”)	Permanent Tariffs	Y	Y
	Promotional Tariffs	Y	Y
	Loyalty Programs	Y	Y
Below the Line Tariffs (“BTLT”) <sup>14</sup>	Promotional Tariffs	(n/a)	N
Bespoke Tariffs (“BT”)	Permanent Tariffs	Y	Y

*Table 4: Tariffs to be filed with the CRA*

36. For the avoidance of doubt, a Tariff Filing must be made for e.g. the following cases:
- 36.1 New Tariffs and changes thereof, as e.g. price increases;
- 36.2 Withdrawal of Tariffs;
- 36.3 All framework agreements, discount schemes, bonus schemes and loyalty programs and any changes thereof;
- 36.4 Bespoke Tariffs, including those offered within Tenders<sup>15</sup>, such as project business or any changes thereof;
- 36.5 The Tariffs for services rendered to Customers when outside of Qatar (e.g. roaming and calling cards).
37. The SP must submit a Tariff Filing consisting of:
- 37.1 The Tariff Document, as per the template set out in Annex III Tariff Document - Template;
- 37.2 Where applicable, the Tariff Document must include a description of the specific criteria that qualifies a Customer or group of Customers for a specific Tariff or discount (refer to Sections 3.7 and 3.8);
- 37.3 All other information specifically required as per this RTI.
38. SP must ensure that a Tariff Document:
- 38.1 Is submitted in PDF and Word format;
- 38.2 Is written in plain language and easily understood by a typical Customer;
- 38.3 Contains and fully discloses in detail:
- All terms and conditions of the Retail Offer
  - All products and services associated with the Retail Offer;
  - The period of the Tariff;
  - Whether the Retail Offer is a promotional or permanent offering;
  - All applicable prices (and the units to which they apply, rounding practices, use of (billing) increments, and any schemes involving promotions, rebates, discounts, waivers or free items;
  - The period for which the included bundle (e.g. minutes/messages/data allowance ) remains valid, i.e. a monthly package of 10 min for 1 QAR per month must specify whether the 10 minutes will expire after one month, roll over to the

<sup>14</sup> Below the Line Tariffs (“BTLT”), can only be offered by non-DSPs

<sup>15</sup> These are formally offers for carrying out works, supplying goods, etc. They could be within a formal or informal bid process.



second, third etc. month and then expire or continue rolling over as long as the Retail Customer subscribes to the plan;

- (g) The minimum commitment periods and any cancellation policies;
- (h) Any other special considerations or other elements of the Retail Offer that are material to the service provided and the consideration to be paid; and
- (i) Any charges for equipment not subject to Tariff control but which are included as part of the service offered (e.g. additional broadband router).

- 38.4 Where required, all calculations and explanatory documents must be submitted with the Tariff Filing. All calculations must be in Excel format and well documented.
- 39. For modifications/changes to existing Tariffs, the SP must submit the Tariff Document in Track Change Mode.
- 40. All Tariff Filings must be sent to the mail group [tariffs@cra.gov.qa](mailto:tariffs@cra.gov.qa).
- 41. Failure to comply with the Tariff Filing requirements may result in the CRA not approving the Tariff proposed by the SP.

### 3.3 Tariffs – Review and Approval

- 42. Explicit pre-approval by the CRA is required as per the Table 5 below. For the avoidance of doubt, this includes new Tariffs, modifications/changes to existing Tariffs and withdrawal of Tariffs.

Tariff Category	Types of Tariffs	Explicit pre-approval required by the CRA	
		DSP	Non-DSP
Standard Tariffs	Permanent Tariffs	Y	N
	Promotional Tariffs	Y	N
	Loyalty Program	Y	N
Below the Line Tariffs	Promotional Tariffs	(n/a)	N
Bespoke Tariffs	Permanent Tariffs	Y	N

*Table 5: Tariffs requiring explicit approval by the CRA*

- 43. More specifics of the review and/or approval process are detailed in Section 4.2 below for DSPs and in Section 5.1 below for Non-DSPs.
- 44. In general, the communication from the CRA will be by normal letter.
- 45. In case a SP is uncertain regarding the contents of a Tariff Filing, e.g. a cost justification, criteria for offering a discount to a Customer or group of Customers, or substantive explanation, the CRA welcomes a meeting prior to the Tariff Filing in order to ease the process.
- 46. In case of repeated breaches of the RTI, the CRA may oblige a non-DSP to have its Tariffs pre-approved by the CRA or may oblige a non-DSP to cease offering BTLT.

### 3.4 Tariffs – Publication

- 47. The following Tariffs must be published by the SP as per Table 6 below. This includes new Tariffs, modifications/changes to existing Tariffs and withdrawal of Tariffs.



Tariff Category	Types of Tariffs	Tariff publication	
		DSP	Non-DSP
Standard Tariffs (“ST”)	Permanent Tariffs	Y	Y
	Promotional Tariffs	Y	Y
	Loyalty Program	Y	Y
Below the Line Tariffs (“BTLT”)	Promotional Tariffs	(n/a)	N
Bespoke Tariffs (“BT”)	Permanent Tariffs	Y	Y

Table 6: Tariffs which must be published by the SP

48. For all post-paid Customers, the SP must state clearly on the first page of their bill/invoice: The CRA may move this item to the forthcoming CPP

- 48.1 For DSPs:

*The underlying Tariff has been explicitly approved by the Communications Regulatory Authority on //date//. The underlying regulatory Tariff Document //Tariff Number and name// can be found on //insert web link to the regulatory page of the SP//.*

- 48.2 For non-DSPs:

*The underlying Tariff has been filed with the Communications Regulatory Authority on //date//. The underlying regulatory Tariff Document //Tariff Number and name// can be found on //insert web link to the regulatory page of the SP//.*

### 3.5 Promotional Offers

49. SPs must:
- 49.1 Limit promotions to a maximum of three months;
- 49.2 Ensure that Promotional Offers do not tie or lock-in Customers to long-term contracts...
50. SPs must not repeat promotions for the same Tariff until 6 months after the initial promotion has expired. This applies to the underlying Tariff item or items that is/are subject to the initial promotion (i.e. at destination level, mobile data or connection charge).
51. Overlapping promotions, i.e. where a Tariff item is affected (reduced) more than once due to the effect of a promotion, are not permissible.

### 3.6 General Terms and Conditions (“GT&C”)

The CRA may move this section to the forthcoming

52. General Terms & Conditions are the terms and conditions applicable for a group of Tariffs. These are typically set for Residential and Business Customers like “General Terms and Conditions for Consumer Services” or “Master Services Agreement for Business.
53. New GT&C and modifications/changes to existing GT&C must be:
- 53.1 Filed with the CRA for pre-approval by sending it to tariffs@cra.gov.qa:
- (a) The CRA will have 10 working days to (a) approve or (b) object to the GT&C or (c) extend the period for review;

- (b) If the CRA decides to extend the 10 working day review period it shall notify the SP in writing and shall specify the concerns, procedures and timetable for the extended GT&C review, including any consultation or other relevant process with respect thereto, in accordance with the ARF or as determined by the CRA;
  - (c) Within the 10-working day review period, the CRA may also request in writing further information from the SP in relation to the GT&C. A request for further information, including meetings to discuss the GT&C, will stop the 10-working day countdown. The 10-working day countdown will start with day 1 once the additional information has been received by the CRA in its complete form as requested by the CRA;
  - (d) If a request from information from the CRA contains a response deadline, any request for an extension of this deadline by a SP must be accompanied by a convincing justification and filed at least five (5) working days before the expiry of the original deadline.
54. The approval of the proposed GT&C will be communicated in writing to the SP.
- 54.1 Once approved, the GT&C must be published on the SP's website in an easy-to-find location.
55. The GT&C must be written in plain language, clear, legible and easily understood by a typical Customer.
56. A GT&C approval will be considered void if the GT&C are not introduced in the market within 3 months from the approval date. A new GT&C filing will be required after this period.
57. The SP must ensure that new GT&C or changes thereof are successfully communicated to affected Customers in compliance with the terms included in the Customer Protection Policy.

### **3.7 Non-Discrimination**

58. A SP shall not afford any undue preference to, or exercise undue discrimination against, a particular Customer or a group of Customers of any class or description.
59. This means that any Tariff or discount must be available to all Customers or groups of Customers meeting the qualifying criteria as specified in the Tariff Document.
60. In particular when offering a Tariff to a particular Customer or group of Customers:
- 60.1 The Tariff must be filed with the CRA in a Tariff Filing;
- 60.2 The Tariff Document must contain a description of the specific criteria that qualifies a Customer or group of Customers to receive the Tariff;
- 60.3 The Tariff Document associated with the Tariff must be published as per the requirements of this RTI.
61. In addition, a DSP shall also submit sufficient justifications regarding any discrimination and must cease the discrimination upon receipt of a notice in this regard from the CRA (ref. section 4.1 and 4.2).

### **3.8 Discounts**

62. SPs may offer discounts to any market sector in Qatar<sup>16</sup>.

63. In all instances, the maximum permissible discount that may be offered by a SP for telecommunications services is twenty per cent (20%) of the approved Standard Tariff.

This limit is based on CRA understanding of the profitability of the SPs. With this limit the CRA is of the view that proposed prices 1) proposed prices will not be below costs 2) proposed prices will be replicable by the competitors 3) SPs could move towards efficient headline prices. To be more competitive with discounts, SPs are always welcome to lower their headline prices. This will benefit all customers and not only those with a high(er) bargaining power.

64. In addition, a DSP shall also submit sufficient justifications regarding the discounts and must cease them upon receipt of an Order in this regard from the CRA (ref. section 4.1 and 4.2).

### 3.8.1 Discounts to a particular Customer or Group of Customers

65. When offering discounts a SP shall not afford any undue preference to, or exercise undue discrimination, a particular Customer or a group of Customers of any class or description

66. This means that any specific Tariff or discount must be available to all Customers or groups of Customers meeting the qualifying criteria as specified in the Tariff Document.

67. When offering a discount to a particular Customer or group of Customers, the provisions on non-discrimination apply (ref. section 3.7 above).

### 3.8.2 Illegal Discounts

68. Any discounts not filed with the CRA shall be deemed as an **Illegal Discount** and must be phased out by the SP.

69. For Illegal Discounts existing in the market at the date of the issuance of this RTI, in order to not unduly disadvantage the Customers, the Customer may benefit from the contract until its expiration date, but not longer than 12 months from the issuance of this RTI.

70. The Illegal Discount cannot be renewed, and the Customer must be migrated to the relevant Tariffs approved by/filed with the CRA.

## 3.9 Minimum Service Period, Commitment period and Cancellation Policy

71. SPs are subject to the Minimum Service Period of no longer than three months, unless a sufficient justification is provided in a Tariff Filing demonstrating the need for a longer Minimum Service Period.

72. In the event a Retail Customer wishes to cancel the subscribed service within the Minimum Service Period, SPs are entitled to collect the remaining fixed monthly charges of their Minimum Service Period. This clause does not apply if the SP changes the terms and conditions of a contract and, as a consequence, the Customer wishes to cancel the service whilst in the Minimum Service Period.

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<sup>16</sup> For avoidance of doubt, this includes the educational, charity, special needs and disability sectors.

73. SPs must not provide any additional benefit (i.e. devices for free, rebates, etc.) for an extended contract period and Customers must be entitled to terminate their service without any penalty/payment after their Minimum Service Period is complete.

**3.10 Minimum Validity Period of Credit**

74. SPs must ensure the Minimum Validity of credit as follows:

The CRA may move this section to the forthcoming Consumer Protection Policy

Credit	Duration	Explanation
Less than or equal to QAR 10	30 calendar days or longer	Including, but not limited to, pre-paid products vouchers, top up credit.
Standard credit validity	6 months or longer	

**3.11 On-Net/Off-Net Pricing Differentials**

75. SPs must not apply any on-net/off-net price differentiation, unless objectively justified and approved by the CRA. This means that a unit of service, which includes voice and video calls, SMS, MMS and other services, made from the SP network to another SP’s network must be charged at the same amount as a unit of service inside the SP’s network. This also means that if units of service (e.g. call minutes) are included in a permanent bundle, these units of service must be available on-net and off-net.

**3.12 Handsets and Customer Premise Equipment (“CPE”)**

**3.12.1 Handset Subsidy and SIM Locking**

76. SPs shall not subsidize devices or engage in “SIM locking”. SPs are free to sell devices on an instalment or amortized basis and unbundled from telecommunications services. This can be achieved by e.g. a separate contract being taken out for a device and paid for in periodic arrears. This contract must not be bundled with the underlying telecommunication service. SPs are therefore not permitted to:

- 76.1 Subsidize any mobile device;
- 76.2 “Lock” a device so that it can only be used with the SP’s own SIM cards.

**3.12.2 Network Specific CPE Subsidies**

77. SPs may provide equipment necessary for the provision of services (as an integral part of the service) and which are not available in the open market without a separate charge. This would typically include devices such as an Optical Network Terminal for fiber broadband.

**3.12.3 Non-Network Specific CPE**

78. SPs must include the price of any CPE in a Tariff that is provided to Customers free of charge, but which may be charged for if the Retail Customer cancels within the minimum service period and fails to return the CPE.

**3.13 Easy To Remember Numbers**

79. SPs are entitled to charge “easy to remember” (ETR) / “premium numbers” on condition that all charges will go entirely to charities / Corporate Social Responsibility (CSR)

The CRA may move this section to the forthcoming National Numbering Plan.

purposes.

The SPs must maintain a record of this at all times for audit purposes by the CRA.

### **3.14 Geographic Differentiation of Charges**

80. Unless specifically approved by the CRA, SPs must provide uniform pricing within Qatar.
81. For the avoidance of doubt, this includes Promotional Offers and potential “cell based charging”.

## 4 Provisions specifically for DSPs

82. The following provisions are additional to those included in Section 3 above.

### 4.1 Tariffs – Filing

83. All Tariffs that contain a service or service elements that fall within a Relevant Market in which a SP has been designated as dominant must be filed and explicitly approved by the CRA in advance of being made available to Customers.

84. A DSP is obliged to file their proposed Tariffs as listed in Table 4 above in a Tariff Filing, which must include:

84.1 The Tariff Document in a form as per Annex III of this RTI;

84.2 Cost justification, demonstrating the absence of anti-competitive conduct<sup>17</sup>, which includes e.g. pricing below cost<sup>18</sup> or excessive pricing<sup>19</sup>. A cost justification must include as a minimum

(a) Revenue information – a detailed breakdown of the revenue components (e.g. connection, subscription, usage) of the Retail Offer, including the number of Customers supposed to subscribe the Tariff;

(b) Cost Information - a detailed breakdown of the cost components (e.g. network, retail, termination etc.) of the Retail Offer; and

(c) The number of Customers subscribed to the Telecommunications Service.

Any cost information must be based on a reliable source such as the approved Regulatory Accounting System. The cost information must be based on the applicable cost base and cost standard as approved by the CRA. In the absence of reliable cost information the CRA may choose appropriate proxies and benchmarks.

84.3 Proof, that the DSP has provided or will be providing (a) corresponding wholesale service(s) to the Retail Offer in order to enable other SPs to replicate the Retail Offer of the DSP. The CRA will weight up the relevance of this requirement in terms of advantages and disadvantages for Customers and competition for each Tariff Filing by a DSP;

84.4 All other information specifically required as per this RTI.

### 4.2 Tariffs – Review and Approval

85. The CRA will review the Tariff Filing to ensure that it complies with the ARF in general and the requirements of this RTI in particular.

86. The review will be based on, amongst others, but not limited to:

86.1 Information submitted as part of the Tariff Filing;

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<sup>17</sup> E.g. Article (43)6, 7 and 9 of the Telecommunications Law. Under these provisions, it is prohibited for a DSP to supply competitive telecommunications services at prices below long run incremental costs or any other cost standard specified by CRA. In addition, Article (43) of the Telecommunications Law states specifically: 6 - Supplying competitive telecommunications services at prices below long run incremental costs or any other cost standard specified by the General Secretariat. 7- Using revenues or transferring a part of cost of a specific Telecommunications Service to subsidize another Telecommunications Service supplied 9- Performing any actions that have the effect of substantially lessening competition in any telecommunications market. Also ref. to Competition Policy - Explanatory Document dated October 21, 2015, Section 2 and 3

<sup>18</sup> *ibid*

<sup>19</sup> Article (29) of the Telecommunications Law. The tariff for telecommunications services provided by dominant service providers must be based on the cost of efficient service provision and the tariff must not contain any excessive charges which result from the dominant position that the service provider enjoys.

- 86.2 Other official submissions to the CRA by the DSP such as the Regulatory Accounting System, MDDD reports, profitability reports etc.; and
- 86.3 Any other information the CRA deems necessary to assess the validity of the Tariff Filing (e.g. benchmarks etc.).
87. Once a complete Tariff Filing has been received, the CRA will have 10 working days to (a) approve or (b) object to the Tariff or (c) extend the period for review.
88. If the CRA decides to extend the 10 working days review period it shall notify the DSP in writing and shall specify the concerns, procedures and timetable for the extended Tariff review.
89. Within the 10 working days review period the CRA may also request in writing further information from the DSP in relation to the Tariff Filing. A request for further information, including meetings to discuss the Tariff Filing, will stop the 10-working day countdown. The 10-working day countdown will re-start once the additional information has been received by the CRA in its complete form as requested by the CRA.
90. If a request from information from the CRA contains a response deadline, any request for an extension of this deadline by a DSP must be accompanied by a convincing justification and filed at least five working days before the expiry of the original deadline.
91. Information may be exchanged in a Tariff meeting that may alter the CRA's understanding of a Tariff. This information does not need to be re-submitted in a formal Tariff Filing, but must be captured in minutes of the meeting.
92. The approval of the proposed Tariff will be communicated in writing to the DSP.
93. A Tariff approval will be considered void if the Tariff is not introduced in the market within 3 months from the approval date. A new Tariff Filing will be required after this period.
94. If concerns regarding a Tariff arise after it has been approved by the CRA and introduced in the market, the CRA may initiate an ex-post review of the Tariff.
95. If due to concerns, the CRA declines to approve a proposed Tariff, it will inform the DSP within the 10 working days review period of the reasons for such a decision in writing.

### **4.3 Bundles**

96. Typically, any bundle offered by the DSP must be capable of being replicated by other SPs. Accordingly, DSPs must:
  - 96.1 Ensure that wholesale products are offered to other SPs that enable the provision of the same services (as the DSP); and
  - 96.2 Demonstrate that other SPs can replicate a bundled Retail Offer using either its own network or wholesale products currently provided, by the DSP.
97. The DSP may be required by the CRA to also offer separately the individual service elements of the bundle.

## 5 Provisions specifically for non-DSP

98. The following provisions are additional to those included in section 3 above.

### 5.1 Tariffs – Filing and Review

99. The CRA will verify that the Tariff Filing is consistent with the ARF in general and the requirements set out in this RTI.
100. Once a complete Tariff Filing has been received, the CRA will have 10 working days to (a) object to the Tariff and order its suspension, modification or withdrawal, or (b) extend the period for review.
101. If the CRA decides that an extended review of a proposed Tariff is necessary, it shall notify the SP in writing and shall specify the procedures and timetable for the Tariff review.
102. If a request from information from the CRA contains a response deadline. Any request for an extension of this deadline by a non-DSP must be accompanied by a convincing justification and filed at least 5 working days before the expiry of the original deadline.
103. Information may be exchanged in a Tariff meeting that may alter the CRA's understanding of a Tariff. This information does not need to be re-submitted in a formal Tariff Filing but should be captured in appropriate minutes drafted by the CRA.
104. If the concerns are not addressed to the CRA's satisfaction, the CRA may request that the non-DSP withdraw the Tariff.
105. If after launch there are concerns that the tariff does not adhere to the ARF the CRA may initiate an ex-post review of the Tariff.



## 6 Compliance, Monitoring, Enforcement and Review

### 6.1 Compliance

106. The SP must comply fully with any and all procedures related with Tariffs as established in the ARF.

### 6.2 Monitoring

107. The CRA will monitor that the compliance of the SPs with this RTI, specifically but not limited to, against the following criteria:

107.1 Introduction of Tariffs neither filed nor approved nor published by the SPs in the market;

107.2 Consistency of the published Tariff Documents with those filed for / approved by the CRA;

107.3 Refusal to provide required information; and

107.4 Delays in submitting required information.

108. Monitoring will be carried out, specifically but not limited to:

108.1 Checking the section of SPs' website where the commercial offers and Tariff Documents are published;

108.2 Review of the completeness of the required information; and

108.3 Investigations performed by the CRA.

### 6.3 Enforcement

109. In the event of non-compliance, it shall result in one or a combination of the following enforcement provisions as stipulated under the Telecommunication Law:

109.1 Invoking the provisions of chapter sixteen (16) of the Law, whereby the SP shall be subject to criminal prosecution as a form of punishment for non-compliance with the relevant provisions of the Law and its license;

109.2 Invoking the provision of Article 62-bis of the Telecommunication Law, whereby non-compliance is punishable with the imposition of one or more of the administrative penalties that are set out in Schedule 1 of the Law;

110. In addition to the above, the CRA shall take adequate actions to protect the Customers, including but not limited to:

110.1 Ordering non-DPS to have their Tariffs pre-approved by the CRA;

110.2 Ordering SPs to cease offering BTLTs;

110.3 Issuance of an Order to officially withdraw the Tariff, which could for a number of reasons ranging from misleading published GT&C to failure to file the Tariff prior to its introduction; compensation to the affected Customers may be also required;

110.4 Issuance of an Order obliging the SPs to provide illegal telecommunications service for free to affected Customers until the expiry date of the contract.

### 6.4 Review

111. This RTI may be reviewed by the CRA from time to time to ensure it remains relevant to developments in the market.

## Annex I Glossary, Acronyms and Abbreviations

The terms, words and phrases used in this RTI shall have the same meaning as are ascribed to them in the ARF unless this RTI expressly provide for otherwise, or the context in which those terms, words and phrases are used in this RTI require it.

### **ARF**

Applicable Regulatory Framework, 19, 23, 37

Applicable Regulatory Framework - has the meaning given to it in the Individual Licenses held by the Service Providers., 5, 6, 9, 10, 11, 12, 13, 14, 19, 22, 28, 32, 34, 35, 36

### **BT**

A Permanent Tariff made available by a SP to a specific Customer or group of Customers (and not accessible to all Customers), 24, 27

### **BTLT**

A Promotional Tariff, made available by a non-DSP to a specific Customer or group of Customers (and not accessible to all Customers). A BTLT must be of negligible value and therefore by its nature does not adversely affect competition., 9, 24, 25, 27

### **CD1**

first consultation document, 4

### **CD2**

second consultation document, 4

### **CPE**

Customer Premise Equipment, 30

### **CPP**

Consumer Protection Policy, 8, 9, 16

### **CRA**

Communications Regulatory Authority, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35

Communications Regulatory Authority of Qatar, 4

### **Customer**

Means any subscriber or user of retail services sold by the Service Providers, whether such services are acquired for the customer's own use or for resale (ref CPP), 10, 12, 20, 24, 25, 26, 28, 29, 30, 39

### **DSP**

Dominant Service Provider, 19

### **GT&C**

General Terms & Conditions are the terms and conditions applicable for a

group of Tariffs. These are typically set for Residential and Business Customers like "General Terms and Conditions for Consumer Services" or "Master Services Agreement for Business., 16, 23, 27, 28, 35

### **Individual License**

A License granted to a particular person in accordance of the provisions of chapter three of the Telecommunications Law., 11

### **License**

has the meaning given to it in Article 1 of the Telecommunications Law., 7, 22

### **Licensees**

Individually Licensed Service Providers, 19

### **Loyalty Programs**

Promotions and incentives granted by SPs to Customers depending on the Customer's usage patterns of the services. The aim of such programs is to reward Customers for their usage, which in turn can increase the Customer's loyalty, 24

Promotions and incentives granted by SPs to Customers depending on the Customer's usage patterns of the services. The aim of such programs is to reward Customers for their usage, which in turn can increase the Customer's loyalty., 25

### **MDDD**

Market Definition and Dominance Designation, 33, 39

### **Minimum Service Period**

Means the minimum contracted period agreed to by a Customer for telecommunications services from a Service Provider, after which no fees are payable for the termination of the contract by the Customer (ref CPP), 29, 30

### **non-DSP**

non - Dominant Service Provider, 19

### **Permanent Tariff**

A Tariff, which is intended to be available to Customers on a non-time limited basis, 24

**Promotional Tariff**

A Tariff, which is intended to be available to Customers on a time limited basis. In the case of a DSP, this refers to a period of over 3 months., 24

**Relevant Market**

The Relevant Markets as defined by the MDDD process., 9, 32, 39

**Retail Offer**

Means a current retail telecommunications service that is available for consumer subscription and includes, without limitation, such offers as advertised (ref. CPP)., 8, 9, 13, 25, 26, 32, 33, 39

**RTI**

Retail Tariff Instruction, 1, 4, 5, 6, 7, 8, 9, 10, 11, 15, 16, 17, 19, 20, 23, 25, 26, 28, 29, 32, 34, 35, 36, 39

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**Service Provider**

Has the meaning given to it in Article 1 of the Telecommunications Law, 6, 7, 8, 19, 21, 39

**SIM**

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**SP**

Service Provider, 7, 10, 11, 12, 13, 14, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 32, 34, 35, 39

**SPs**

Licensed Service Providers, 19  
Service Providers, 4

**ST, 25, 27**

Standard Tariff - A Tariff made available by a SP to all Customers (i.e. all business and residential) or groups of Customers (i.e. all business or all residential)., 24

**ST Standard Tariff A Tariff made available by a SP to all Customers (i.e. all business and residential) or groups of Customers (i.e. all business or all residential)., 24****Tariff**

Any statement of prices, rates, charges or other compensation of any form (including related service descriptions or terms and conditions such as rebates, waivers or discounts) offered by a Service Provider regarding any of its services., 1, 4, 6, 7, 8, 9, 10, 11, 13, 14, 16, 17, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 32, 33, 34, 35, 39

**VFQ**

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# Annex III Tariff Document - Template

## General Tariff Information

Service Provider Name	Name of Service Provider
Tariff Number	A unique number for identifying this Tariff (To be created by the Service Provider)
Marketing Name of the Retail Offer	Generic name (e.g. post-paid mobile) and/or brand name (e.g. Shahry)
Relevant Markets	The Relevant Market(s) in which the Tariff will be offered according to the MDDD
Tariff Type	Residential or Business
Tariff Effective Date	Availability to Customers
Tariff Version Number	To be created by Service Provider (promotions are suffixed)

## Tariff Details

Definitions	Definitions of terms used in this Tariff Document
Tariff Terms and Conditions	Service specific terms and conditions
Service Description	A clear product description of the Service being offered with respect to what the Tariff proposes to deliver to Customers
Features	
Charge Rates	All the Charges Rates must be in QAR, including all taxes, levies, etc.
Service Provider obligations	Which are not included in the SP's General Terms and Conditions, such as service availability and limitations – availability, maximum downtime, mean-time-to-repair, quality of service, speed, throughput, technical and geographical limitations.
Customer obligations	Which are not included in the SP's General Terms and Conditions
Equipment and technical interfaces [for Business Tariffs only]	Equipment owned/leased and supplied by the Service Provider, equipment provided by the customer, service demarcation point, standards/specifications of service interfaces.
Service Level Agreement [for Business Tariffs only]	Including measurable QoS Parameters. For example, service availability and limitations – availability, maximum downtime, mean-time-to-repair, quality of service, speed, throughput, technical and geographical limitations.
Criteria for Customers/ Group of Customers to access the Tariff (if required) refer to Sections 3.7 and 3.8	

## Tariff Version Control

Tariff Version Number	Approval Date	Effective Date	Tariff Modifications
1.00	11 Aug 2008	18 Aug 2008	New Tariff
1.01	01 Sep2008	10 Sep 2008	Local call price increase (4.1)
1.01a	06 Oct 2008	09 Oct 2008	July promotion for 8 weeks

\*\*\* End of the RTI \*\*\*

## Annex – 1

### Es'hailSat Comments on Draft New RTI (Second Consultation by CRA)

Section No.	Es'hailSat Comments	Alternative Proposal
General Comment	<p>Our main concern is that the RTI document seems to have been developed only taking the national telecom service providers into perspective whose operations and competition are solely within the State of Qatar. Whereas, the competitiveness challenges for a satellite operator have not been accounted for in this document. E.g. Es'hailSat core business is capacity leasing to broadcasters &amp; other telecom service providers and its competition is non-national, with the foreign satellite operators (e.g. NileSat, Arabsat, Eutelsat, SES, Intelsat etc.) who can provide this service (capacity lease) to the same customers without being subject to the regulatory requirements in general &amp; tariff filing requirements in particular as set out by CRA for service providers of the State of Qatar. These requirements to file and publish tariff are detrimental for Es'hailSat's business competitiveness and profitability. This practice / requirements could have been rational had there been more than one satellite operators of Qatar. However, in the current situation we are of the opinion that this is over constraining and harmful for the business of the sole national satellite operator of the State of Qatar.</p>	<p>To introduce a special section for the satellite operators which would exempt Es'hailSat from tariff filing &amp; publishing requirements for the described cases.</p>
3.7: Non-Discrimination	<p>It was discussed &amp; agreed during the industry meeting on 19<sup>th</sup> July 2018 that varying discounts for different customers that are within the maximum allowed discount</p>	<p>To add a new clause under Sections 3.7 and 3.8.1 stating that varying discounts offered to different customers that</p>

	are not considered by CRA as a discriminatory practice. However, this does not seem to be documented anywhere in the document.	are within the maximum allowed discount and are not considered by CRA as a discriminatory practice.
3.8: Discounts	<ul style="list-style-type: none"> <li>▪ From a satellite operator perspective, the currently allowed percentage of discount (20%) is very low considering the already over-supplied market in terms of satellite capacity. Bigger discounts are required to incentivize customers towards Es'hailSat who would otherwise go for foreign satellite operators (e.g. NileSat, Arabsat, Eutelsat, SES, Intelsat etc.) who have much more flexibility in their pricing and are also not subject to CRA tariff and discount regimes.</li> <li>▪ Sometimes the company decides upon a strategic discount (above 20%) during a bid process or a contract negotiation process. These processes are performed within few days. The process of generating and publishing a new tariff takes at least one month.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Allowed discount should be up to 50%</li> <li>▪ Allow post-publication of tariffs.</li> </ul>
3.9: Minimum Service Period, Commitment Period and Cancellation Policy	Restriction of maximum three months on the commitment period & consequent cancellation policy should be waived for third-party services e.g. Inmarsat services in Qatar by Es'hailSat. Es'hailSat is the reseller / distribution partner of Inmarsat to provide their MSS services in the State of Qatar. All the subscription and tariff / pricing plans and their corresponding cancellation policies are developed by Inmarsat and they have subscription and tariff / pricing plans with commitment periods exceeding three months. These payment plans are applicable globally and Es'hailSat cannot dictate Inmarsat to change them for one specific country. The limitation of three months' commitment period is constraining for Es'hailSat in case of Inmarsat	Restriction of three months on the commitment period & consequent cancellation policy should be waived for Business-to-Business Satellite Services to allow Es'hailSat to compete with the global satellite operators.

	services since it has no control over the subscription and tariff / pricing plans. All the financial burden will be shifted to Es'hailSat in case a customer cancels a plan with a commitment period of more than three months.	
3.12 Handsets and Customer Premise Equipment ("CPE")	Es'hailSat cannot control the SIM locking on the satellite phone / device of Inmarsat. This is due to the satellite phones issued for the Inmarsat service can only work in the Inmarsat network or constellation.	Es'hailSat request for CRA for waiver for satellite phone service as the satellite phones manufactured by the vendors in the market are service provider specific. Example : Inmarsat, Thuraya, Iridium etc.
3.13 Easy To Remember Numbers	Es'hail would like to charge for the special numbers however but not limit itself for the revenue collection.	Es'hailSat request for CRA to consider waiving the requirement that the charges collected have to go to charities / CSRs only.





6 September 2018

Mr. Mohammed Ali Al-Mannai  
President of the Communications Regulatory Authority  
PO Box 23404  
Doha  
Qatar

**Response of Harris Salam W.L.L. to the Second Consultation Document on the “Retail Tariff Instruction (‘RTI’) for Individually Licensed Service Providers,” dated June 12, 2018**

Dear Mr. Al-Mannai,

On behalf of Harris Salam W.L.L. (“Harris Salam”), we appreciate the opportunity to provide comments on the Communications Regulatory Authority’s (“CRA”) Second Consultation Document (the “Second Consultation Document”) concerning review of the “Retail Tariff Instruction (‘RTI’) for Individually Licensed Service Providers” (the “Second Draft RTI”).

Harris Salam is one of at least four non-dominant providers of satellite-based, very small aperture terminal (“VSAT”) services in Qatar.<sup>1</sup> In general, its license authorizes the provision of two-way telecommunications transport services using VSATs communicating with satellites in geostationary orbit.<sup>2</sup> Harris Salam’s license prohibits it from providing public telecommunications services using terrestrial fixed or mobile networks, services to non-closed user groups, international gateway services, or wholesale interconnection with the public telecommunications networks. Its business therefore focuses on niche customers, such as those operating from offshore oil platforms or other remote locations.

As discussed in greater detail below, although tariffs are appropriate for consumer terrestrial fixed and wireless telecommunications where duopoly providers dominate the market, Harris Salam respectfully suggests that large enterprise customers purchasing niche VSAT services will be harmed more than helped by the tariff constraints proposed in the Second Draft RTI. The market for VSAT services, including those provided by Harris Salam in Qatar, is distinct from the geographic and product markets in which Qatar’s other individually licensed telecommunications service providers operate. This market is also sufficiently competitive that tariffs are unnecessary to protect VSAT service customers and risk constraining service arrangements that customers desire and that otherwise would be available. As a result, the CRA should consider eliminating tariff requirements for VSAT services in Qatar.

To the extent that the CRA retains tariff requirements applicable to individually licensed VSAT service providers, Harris Salam believes those requirements should be limited more than those contained in the Second Draft RTI. VSAT service providers should be permitted to file tariffs to take effect immediately upon publication, and to include provisions

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<sup>1</sup> To the best of our knowledge, QSAT, RigNet, and Ooredoo hold licenses to provide VSAT services in Qatar, in addition to Harris Salam.

<sup>2</sup> Harris Salam W.L.L., License for the Provision of Very Small Aperture Terminal (“VSAT”) Networks and Services (ictQATAR, issued 22 March 2012).

in those tariffs that reflect customer preferences and typical practices in the global market for these services – such as volume and term discounts for signing multi-year contracts, bespoke pricing, and contracts reflecting negotiated terms and conditions.

## **Discussion**

Niche VSAT services need not and should not be subject to the same rigorous rate regulation and tariff requirements that apply to retail telecommunications services offerings via terrestrial fixed or wireless networks to consumer or small business customers.

### **A. The CRA Should Not Require Tariffing of Services Offered by Individually Licensed VSAT Service Providers**

Harris Salam agrees with the CRA’s belief that, “non-[dominant service providers] do not have enough market power to act independently of their customers or competitors and their pricing practices (loyalty discounts, bundling, volume discounts, rebates etc.) **cannot be anti-competitive** by nature.”<sup>3</sup> Because this is so, a tariff is no longer required to protect customers from anti-competitive practices of non-dominant VSAT service providers in Qatar.

#### ***1. The Telecommunications Law Gives the CRA Authority to Establish Differentiated Tariff Schemes***

The Telecommunications Law gives the CRA the authority to determine appropriate regulatory requirements to “prevent service providers from engaging or continuing anti-competitive practices,”<sup>4</sup> and “safeguarding the interests of customers, including setting rules for tariff regulation and criteria for quality of service, and monitoring the terms and conditions of telecommunications services provision.”<sup>5</sup>

Thus, while the Telecommunications Law defines “customer” broadly to include “any subscriber or user of telecommunications services, whether such services are acquired for the customer’s own use or for resale,”<sup>6</sup> it does *not* require the CRA to apply identical tariffing obligations to all service providers or all services purchased by all customers. It does not even require that the same tariffing requirements apply to all non-dominant service providers.

Rather, by requiring the CRA to maintain the appropriate level of regulation, including tariff requirements, necessary to protect customers and prevent service providers from engaging in anti-competitive practices, the Telecommunications Law obligates the CRA to evaluate, on a market-by-market basis, what level of *ex ante* regulatory oversight of rates, terms, and conditions of service is necessary to achieve those goals. Regulatory oversight of a monopoly service provider offering public telecommunications services to residential consumers, for example, is more likely to produce public interest benefits, than similar oversight of a provider offering customized telecommunications services to sophisticated multinational enterprise customers in a highly competitive global environment.

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<sup>3</sup> Stephen Nelson, Workshop Presentation: “Assessing Discounts for Qatar: An Economic Framework,” Communications Regulatory Authority, Regulation Affairs and Competition Department (Nov. 6, 2017), at 19 (emphasis in the original).

<sup>4</sup> Telecommunications Law issued by Decree No. 34, 2006, as amended by Law No. 17 of 2017, (the “Telecommunications Law”), Article 4(4).

<sup>5</sup> *Id.*, Article 4(8).

<sup>6</sup> *Id.*, Article 1.

In this regard, it is instructive that Chapter 10 of the Telecommunications Law, devoted to “Consumer Protection,” avoids the defined term “customer” used elsewhere in the statute, and frames its provisions for the protection of the “consumer,” which is not a defined term. While “consumers” of telecommunications service are likely to be “customers” of a service provider, not all customers are “consumers.” Consumer-grade services generally connote basic, mass market offerings that are provided according to standard rates, terms, and conditions of service, with little customization or negotiation, in stark contrast to the services offered by Harris Salam under the terms of its license.

**2. *Enterprise VSAT Services Are in Separate Geographic and Product Markets from Consumer Telecommunications Services Delivered over Terrestrial Fixed or Wireless Networks***

With this framework in mind, the CRA can and should view the VSAT telecommunications services provided by Harris Salam and the other individually-licensed VSAT service providers through a different lens. *First*, these services are in a different geographic market from those offered by terrestrial fixed or wireless networks. In general, VSAT connectivity may not be a substitute where terrestrial services are available given potentially higher equipment costs, service costs, and latency. Thus, customers in general may opt for VSAT service in geographic areas that terrestrial networks cannot or do not adequately serve.

*Second*, the VSAT telecommunications connectivity offered under the Harris Salam license is in a different product market from terrestrial fixed or wireless services. Under the terms of the license, Harris Salam may serve only closed user groups, and may not offer public telecommunications services, *i.e.*, those offered over terrestrial fixed or mobile networks to the general public on a commercial basis. For example, point-to-point network connections between the individual business locations of a specific closed user group is not a close substitute for traditional fixed or wireless telecommunications services offered to consumers.

**3. *There Is No Need for Tariff Protections in the Market for VSAT Telecommunications Services***

The market for VSAT telecommunications services is particularly competitive. Unlike the terrestrial fixed and wireless service provider duopoly, to the best of Harris Salam’s knowledge, Qatar has licensed four VSAT service providers. These providers compete against one another, not only in Qatar, but around the world. Given such, the CRA should allow competitive forces to govern to a greater extent than the Second Draft RTI currently contemplates. Competitive forces in such a market will enhance service availability, constrain provider market power and moderate pricing without the need for a strict tariff regime.

In fact, rigorous tariff requirements and *ex ante* review reduce the benefits of competition and harm the public interest in a competitive VSAT market. In a market with a dominant service provider, tariffs can have a role in protecting customers and the public interest. But, in a competitive environment, tariffs can reduce competition by creating opportunities for parallel pricing or even tacit price coordination among competitors.<sup>7</sup>

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<sup>7</sup> See, e.g., *MCI Telecommunications Corp. v. American Telephone & Telegraph Co.*, 512 U.S. 218, 233 (1994) (where the United States Supreme Court acknowledged that, although the tariff filing requirement “prevented price discrimination and unfair practices while AT&T maintained a monopoly over long-distance service, it frustrates those same goals now that there is greater

#### ***4. Tariffs Are Not Necessary to Protect Purchasers of VSAT Telecommunications Services***

Customers of VSAT telecommunications services tend to be among the world's largest and most sophisticated commercial enterprises. Telecommunications services reaching their locations anywhere in the world, no matter how remote, are central to their businesses. They uniformly have sophisticated legal departments that are experienced and skilled in negotiating telecommunications service agreements. They are familiar with market trends in pricing, as well as terms and conditions of service, and are fluent and vocal when articulating their needs. They are adept at comparing competitive offers from multiple service providers. And they often seek contracts covering multi-national, regional, or even global services, because their businesses may take them virtually anywhere in the world.

These customers have no need for the "protection" of tariffs. Rather, tariffs are likely to be a source of frustration and increased administrative cost, if national tariff requirements necessitate country-specific differences in rates, terms, or conditions of service. Such differences complicate negotiations with these customers.

Rather, these customers value uniformity and predictability in their VSAT service arrangements. Many VSAT terminals are installed on oil rigs or remote locations to support regional or global corporate operations. The VSAT terminals or the platforms on which they are installed thus may move from time to time to meet the evolving needs of the customer, and may not stay in a fixed location. Customers frequently seek contracts that uniformly cover their regional or global needs, and not solely a limited number of locations in Qatar or any specific nation.

#### **B. The CRA Should, at a Minimum, Adopt More Flexible Tariff Requirements for VSAT Services than Those Proposed in the Second Draft RTI**

To the extent that the CRA retains tariff requirements for VSAT telecommunications services, Harris Salam recommends that it modify the current Second Draft RTI to provide substantially more flexibility that reflects the high level of competition in the market for these services, the global market structure, and current industry practices.

*First*, the CRA should amend the Second Draft RTI to provide blanket approval for VSAT service providers and customers to make multi-year contractual term commitments, which would be consistent with current global industry practice. In our experience, customers typically seek to negotiate regional or global service contracts that make their costs predictable and controllable over a period of 12 to 36 months, or more. Section 3.9 of the Second Draft RTI would inhibit such arrangements. Section 3.9 states that service providers are ordinarily

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competition in that market [because] filing costs raise artificial barriers to entry and . . . publication of rates facilitates parallel pricing and stifles price competition"); *see also Policy and Rules for the Interstate, Interexchange Marketplace*, CC Docket No. 96-61, Second Report and Order, FCC 96-424, 11 FCC Rcd 20730 (US FCC 1996) ("*IXC Detariffing Order*"), at ¶ 41 (U.S. Federal Communications Commission finding that, "eliminating tariffs for mass market services will increase carriers' incentive to reduce prices for such services, and reduce their ability to engage in tacit price coordination. In addition, detariffing of mass market services will likely provide greater protection to consumers, because, as discussed below, carriers will likely be required, as a matter of contract law, to give customers advance notice before instituting changes that adversely affect customers."), *aff'd sub nom. MCI WorldCom, Inc. v. FCC*, 209 F.3d 760 (D.C. Cir. 2000).

limited to a “Minimum Service Period of no longer than three months.”<sup>8</sup> It further states that, “[c]ustomers must be entitled to terminate their service without any penalty/payment after their Minimum Service Period is complete.”<sup>9</sup>

Harris Salam submits that precluding customers and service providers from mutually agreeing to a Minimum Service Period of more than three months would adversely affect the VSAT service market in Qatar. Such a short period is out of step with customary practice, would raise the cost of service and, as a result, would increase prices to customers. Because VSAT service agreements are traditionally tailored to meet the customer’s specific needs, they can involve greater transaction costs to implement than a typical residential or small business purchase of a standard consumer service offering. It is more efficient to use that negotiation process to establish terms that will be in effect for a multi-year term. Conversely, it would greatly increase these transaction costs to mandate such a short commitment period. In addition, there are high nonrecurring costs of deploying equipment and provisioning the service that would need to be recouped in the first three months, if there were no assurance the customer would continue.

Finally, such a short Minimum Service Period would substantially curtail the benefits that the customer and service provider seek in a multi-year service commitment. Service providers and customers alike value the certainty and predictability of a long-term service commitment. Enterprise customers can predict with certainty their VSAT service costs, be assured that the associated services will not be disrupted, and amortize associated equipment costs over a longer contract term. Service providers gain a predictable long-term revenue stream, facilitating decisions on long-term hiring, investment, capital planning, and market strategy.

The fact that the Second Draft RTI permits a longer Minimum Service period if “a sufficient justification is provided in a Tariff Filing demonstrating the need for a longer Minimum Service Period” is not a sufficient remedy. VSAT service markets are dynamic and competitive, and time is of the essence in initiating service once the customer signs a contract. The delays associated with seeking CRA approval for every Minimum Service Period of more than three months could cause disruption, not just to service in Qatar, but potentially in other locations that may be covered by an underlying contract.

*Second*, the CRA should amend the Second Draft RTI to permit individually licensed VSAT service providers to offer unlimited volume and term discounts, as well as bespoke pricing, without being obligated to file a new or revised tariff. With most customers taking service under multi-year contracts, the CRA should permit discounts that reflect the lower provisioning, deployment, and transaction costs, and the more efficient use of capital infrastructure (e.g., VSAT terminals), associated with long-term service commitments. It would benefit customers to ensure that these efficiencies are reflected in service rates.

Thus, the CRA should not limit discounts on VSAT telecommunications services to 20 percent below the tariffed rate, as proposed in Section 3.8.<sup>10</sup> VSAT service rates can vary considerably based on the particular service, the capital equipment needs of the customer, variations in the cost of satellite transponder capacity, seasonal demand, term commitment, and other factors, many of which are driven by global market conditions and not the Qatari market

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<sup>8</sup> Second Consultation Document at 29. For similar reasons, Harris Salam believes that the CRA should permit promotional offers to last for more than three months and permit promotions to be repeated immediately upon expiration. *See id.* at 27.

<sup>9</sup> *Id.* at 30.

<sup>10</sup> *Id.* at 29.

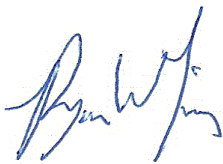
specifically. The range may well be more than 20 percent from customer to customer, and service providers need the flexibility to respond to the demands of the competitive market. Country-specific contract provisions to reflect tariff limitations may complicate the delivery of service and disadvantage local customers.

*Finally*, to minimize the risk of parallel pricing among competitors, the CRA should permit tariffs to take effect immediately upon publication, rather than requiring VSAT service providers to file anticipated tariff changes up to ten working days' in advance.<sup>11</sup>

### **Conclusion**

For the foregoing reasons, Harris Salam respectfully suggests that the CRA eliminate or reduce tariff filing requirements applicable to individually licensed VSAT service providers, as described herein.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Ryan W. King".

Ryan W. King  
*Regulatory Designee for Harris Salam W.L.L.*

CC: Rainer Schnepfleitner

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<sup>11</sup> *Id.* at 34 (§ 5.1).

**NON CONFIDENTIAL VERSION**



**Ooredoo Response to Consultation on “Review of the Retail  
Tariff Instructions for Individually Licensed Service  
Providers,” dated “12 June 2018”**

**SECOND CONSULTATION DOCUMENT**

Communications Regulatory Authority Reference [CRARAC 2018/06/12]

Ooredoo reference: [OQ-5880/2018]

6 SEPTEMBER 2018

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## 1. Introduction and Summary

### Introduction

- 1.1 Ooredoo thanks the Communications Regulatory Authority (CRA) for initiating a second round of consultations regarding its proposals to amend the Retail Tariff Instructions (RTI) 2015.
- 1.2 Ooredoo's responses herein to the CRA's second Consultation Document (CD2) on the RTI are fundamentally based on whether or not new regulatory proposals balance the increase in regulatory requirements and related costs of implementation with benefits to the sector and whether those benefits lead to increased investment, fair competition, service innovation and ultimately lower prices and better quality, more advanced services for consumers.
- 1.3 Ooredoo response arguments are also based on the due process of law provided under Qatar's telecommunications law and its by-law and the desire to reduce the burden of regulation where the principles of competition are safeguarded in the interest of service providers and consumers.

### Background

- 1.4 The CRA initiated a consultative process in March 2018 to review and revise its RTI 2015. Ooredoo expected that this review was to lift tariff regulations for competitive markets and to streamline regulations related to tariff filing, approval and monitoring going forward so as to reduce time consuming procedures delaying the delivery of new network technologies and telecoms services to the market. Instead and in spite of comments from QNBN, Vodafone and Ooredoo received in response to the CRA's first consultation document (CD1) in this regard, the CRA's proposals for an amended RTI as described in CD2 continue to:
  - Maintain regulatory burdens and associated costs even for markets that have been declared competitive as per the CRA's Market Dominance Study 2016
  - Include regulations, even if on an interim basis, for issues that are outside the legal parameters of tariff regulation
  - Prescribe regulations for dominant service providers (DSPs) that effectively render their ability to compete impossible and par consequence provide no incentive to continue to invest or provide wholesale access to network infrastructure considering that investment costs cannot be recovered through the provision of services
  - Lay the foundation for a regulatory framework that damages Qatar's international credibility as a front runner in the delivery of next generation services as the only service provider in Qatar, i.e. Ooredoo, willing to take the super risk involved with the large scale investment necessary to deploy new network technologies still



untested in the international arena and to develop and deliver services based on untried ecosystems will no longer have any incentive to do so

- Render Ooredoo's ability to fulfill the State of Qatar's aspirations related to building a knowledge based society, contributions to support social programs and building a global brand that brings international recognition to Qatar unsustainable. Most importantly, this role cannot be substituted by any other service provider in Qatar regardless of gains in their market share as only Ooredoo is recognized as a global Qatari brand.

### **Summary of Ooredoo Positions and Solutions**

- 1.5 Ooredoo discusses in this response document how CRA regulatory proposals as presented in CD2 are harmful to competition, provide downward incentives for investment and limit the benefits of competition for consumers of telecommunications services—individual, SMEs, corporates and large scale project consortia—as the choice of service providers is effectively limited to Vodafone. These outcomes are not acceptable to Ooredoo nor do we believe that they are aligned with the CRA's goals and objectives for the sector.
- 1.6 The CRA's proposals, for example, seem to be purposely designed to ensure that a DSP cannot compete with offers from competitors based on price, time to market or justified discrimination. We estimate where this regulation is implemented, as proposed, and Ooredoo complies with the provisions, our market share would erode to a negligible value.
- 1.7 In this response Ooredoo offers counter proposals and new solutions for how the CRA can regulate retail tariffs in a way that balances the interests of both SPs and DSPs, streamlines reporting processes in order to reduce timeframes for approval, and ensures that there are still incentives for investment. We summarize our key proposals below for how to amend the RTI so that it:
  - Provides a framework for retail tariff regulation that ensures all SPs can compete on a level playing field without discriminatory regulations that favor one category of service providers over the other and includes safeguards against potential exclusionary abuse of dominance by a DSP
  - Clarifies and simplifies the tariff filing and approval process including the definitions of tariffs. An added benefit of a simplified, streamlined process for tariff approval will also decrease the amount of time needed by the CRA to review and respond to proposals
  - Reduces regulation where competitive forces act as safeguards for consumer protection
  - Engenders trust between service providers and the CRA, which is of benefit to all parties.



- 1.8 **Proposal 1.** SPs should not be required to file tariffs for services provided in competitive markets. For these markets, the requirement should be for the publication of tariffs in such a way that is completely transparent to customers. However, for markets that are non-competitive both SPs and DSPs should be required to file and publish tariffs prior to or on the day of launch. This proposal supports the CRA's ability to understand the market where competition is still developing and reduces the burden of regulation where no longer warranted, i.e. competitive markets.
- 1.9 **Proposal 2.** Proposals for regulations that are outside the legal scope of retail tariff regulations should not be included in the RTI even on an interim basis. These proposals relate to General Terms and Conditions, Loyalty Programs, Billing Practices, Easy to Remember Numbers, Minimum Validity Periods of Credit, and Wholesale Offers. None of these aforementioned issues can be defined as a retail tariff for example.
- 1.10 **Proposal 3.** Ooredoo provides specific text to clearly define a Standard Tariff, a Bespoke Tariff, Below the Line Tariffs, and Promotional Tariffs as a means to eliminate the confusion regarding the CRA's Taxonomy of Tariffs. These definitions are easy to understand and allow all service providers to compete on a level playing field:
- Standard Tariff—A tariff offered by any SP to all business customers or to all residential customers or to all members of a subgroup of such customers. For example, a standard tariff may apply to all schools, all SMEs, all retirees etc.
  - Bespoke Tariff --A tariff offered by any SP to a specific customer based on its unique requirements.
  - Below the Line Tariff—a tariff offered by **any SP** to a specific customer or group of customers and NOT accessible to all customers. A BTLT must be of negligible value and therefore by its nature does not adversely affect competition even where offered by a DSP.
  - A Promotional Tariff--A tariff offered by any SP which is intended to be available to customers on a time limited basis. This time limited basis cannot exceed a period of 3 months.
- 1.11 **Proposal 4.** Notwithstanding that Loyalty Programs cannot be considered tariffs under Qatar's legal framework, the CRA's concerns regarding such programs are best met through their publication and update via SP media sources universally available to customers and through similar offers provided by competitors.
- 1.12 **Proposal 5.** Ooredoo offers to provide its prices for fixed services included as part of a bespoke solution to the CRA on a quarterly basis in place of filing these tariffs for approval, which would have the effective of excluding Ooredoo from any bidding process and leaving customers with only one choice in service providers. Our quarterly reports will include a description of each solution offered, and the price for the fixed services offered as part of the solution. We will demonstrate as part of these

reports that the prices for the fixed services are above cost and therefore meet our legal obligation as a DSP not to “substantially lessen competition.”

- 1.13 **Proposal 6.** All SPs should be entitled to offer promotional discounts of up to 100% on a Standard Tariff for a period up to 3 months and be required to publish these promotional discounts. DSPs should file these tariffs on a preapproval basis under the de minimis provisions. The CRA to intervene on an ex-post basis where promotions meet the criteria of substantially lessening competition.
- 1.14 **Proposal 7.** Discount thresholds of up to 20% should only apply to long term or permanent offers (e.g. discounts for education sector, retirees, and social needs). DSPs should not be required to justify discounts within this threshold since the CRA has already determined that these discounts will not result in prices below costs and are replicable by competitors. The level of discounts for Bespoke Solutions needs to be kept flexible to accommodate unique customer requirements.
- 1.15 **Proposal 8.** Tariffs for bundled services should be evaluated and approved against the same anti-competitive criteria as other telecommunications services provided by DSPs, i.e. whether they are above cost, do not cross-subsidy and apply no margin squeeze. Required cost information should not be inclusive of costs related to non-regulated services. Regulatory approval should not be contingent upon requirements met under wholesale regulatory instruments as there is no legal basis for this requirement.

## 2. Comments on Proposals for all Service Providers

### Introduction

- 2.1 The CRA proposes in Section 1.2; para 9 to include an open ended allowance to enable it to make ad hoc regulatory decisions as it sees fit. It specifically states that “the RTI cannot be exhaustive” and it may “adopt an approach which is **materially** different from this RTI.”
- 2.2 It is widely acknowledged that an effective regulator should demonstrate accountability, transparency and predictability. These attributes are discussed in the ITU’s Telecommunications Regulation Handbook, which also explains that in order for a regulator to attain credibility, its regulations must guarantee “**consistency, timeliness and accountability.**”<sup>1</sup> An open provision that allows the CRA to ‘materially’ deviate from the provisions of its own regulations breaches all norms of regulatory best practice. Moreover, Ooredoo, cannot build a business case for any service or investment strategy based on open-ended regulations that can ultimately be used to suspend or prohibit the provision of its retail services for reasons that cannot be planned for and therefore mitigated. The risk of an unknown, ad hoc

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<sup>1</sup> See Telecommunications Regulation Handbook, pages 14, 16; ITU, 2011.

regulatory decision-making process that can negatively impact Ooredoo's financial performance and ability to meet demand for our services is just not acceptable.

- 2.3 Where the CRA anticipates that its RTI as proposed does not provide the needed guidance, it should modify this draft regulation before it is issued. We note that the CRA has already included a provision for the review and update of these regulations as part of Section 6.4, para 111. As this provision already enables the CRA to amend regulations from time to time through consultation processes, there is no basis to include an additional provision that would allow for ad hoc, material deviations from established regulations. Furthermore, neither Ooredoo nor any other service provider could be expected to comply with such decisions.

### Legal Basis for the Proposals

- 2.4 The CRA includes 3 pages of citations in Section 2--Legal Basis--from articles in the Telecoms law and its Executive By-law and the Emiri Decree No. 42 establishing the CRA as well as citations from the terms and conditions of Individual Licenses. Ooredoo finds this section **misleading** as it does not disclose the fact that the CRA is actually not obliged by the Telecoms Law or its Executive By-law to develop and issue retail tariff regulations.<sup>2</sup> In fact, there is no legal obligation to do so. It is optional. Furthermore, nowhere in CD1 or CD2 does the CRA actually establish why increased regulatory oversight in this area and related burdens on all parties is needed in order to benefit the sector.
- 2.5 Ooredoo appreciates that the CRA has removed references from the ARF related to wholesale charges to Section 2 following our comments to CD1 as these references cannot be used as a basis to support retail tariff regulation. On these same grounds, para 28, which refers to compliance, billing and suspension of mandatory services and para 29.3 addressing anti-competitive practices should also be removed from the Section 2.4 of the final draft of the RTI.

### Proposed regulatory requirements outside the scope of retail tariff regulation

- 2.6 Ooredoo explained in its CD1 response that specific CRA proposals are misplaced under the umbrella of retail tariff regulation as per Qatar's legal framework including proposals identified below.
- **General Terms and Conditions of Service** [see Section 3.6 of CD2]. A requirement for SPs to file and get approval for General Terms and Conditions (GT&C) is not an aspect of tariff regulation. As explained previously GT&Cs do not meet the definition of a tariff according to the ARF which is concerned with a charge and therefore cannot be regulated as a tariff. Regulation of GT&Cs do fall under consumer protection in the telecoms law.

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<sup>2</sup> See Article 54 of the Executive By-Law for the Telecommunications Law that states "...the General Secretariat **may** issue regulations in order to regulate the tariffs of Service Providers".

- **Billing Invoices** [see Section 3.4 paras 48 to 48.2]. SPs to change their billing invoices to reference the CRA's role in the tariff approval process and the date on which tariffs were approved. Notwithstanding the impracticality of Ooredoo's billing system to accommodate the proposals related to billing practices and the liability that would be created for Ooredoo as a result, this CRA proposal is clearly outside the scope of tariff regulation.
  - **Easy to Remember Numbers** [See Section 3.13] SPs to donate any revenues earned from the customer leasing of Easy to Remember (ETR) numbers to charity. Ooredoo's view is that this regulation belongs under numbering policies and plans; however, SPs should still be entitled to recover any costs associated with the administration/allocation of ETR numbers even where they donate earnings to charity.
  - **Minimum Validity Period of Credit** [see Section 3.10] We agree with the CRA that issues surrounding Minimum Validity Periods are a consumer protection issue and therefore misplaced as part of a tariff regulation. Ooredoo also advises the CRA that its proposal for credit durations actually invite customer abuse of line rentals. For example, some customers are using a top up of the smallest possible denominations to keep lines to harbor ETR numbers for 6 months or until they find a buyer who meets their price expectations for the number, i.e. they are not using the line for its intended purpose. As a remedy, any regulations set by the CRA in this area should promote the effective use of line rentals by aligning validity periods more closely with the amounts paid for top ups. For example, where a customer pays 10 QAR, 50 QAR, 100 QAR he/she would respectively get 10, 50, 100 days of line validity. This remedy includes the non-expiry of credit where the customer tops up before the line validity period ends. Ooredoo believes that such a scheme supports the efficient use of lines and numbering resources without extorting excessive spend on customers.
  - **Wholesale Offers.** There are no references in the telecoms law, the by-law or the Individual License that can support the CRA's requirement for a DSP to provide proof of corresponding wholesale offers in order to get approval for retail tariffs regardless of whether this is the practice in the EU or in a few GCC countries. The guidance for the regulation of wholesale services in Qatar is provided for under Chapter Five in the Telecoms Law and Chapter Four in the Bylaws, i.e. regulation of interconnection and access and should be addressed according to these provisions.
- 2.7 The CRA states in CD2 that it may move regulations from the RTI related to the proposals described above to the appropriate regulatory instrument in scope (i.e. consumer protection policy, numbering plan etc...) at a later date. Ooredoo's understanding of the law is that this is not an option. The telecoms law and its by-law have established the scope of retail tariff regulations, which do not provide for the use of tariff regulations as a flexible instrument to regulate numbering, universal service, consumer protection, billing, wholesale access etc. even on an interim basis.

- 2.8 **Solution.** The above proposals should not be retained as part of a retail tariff regulation even on an interim basis. Ooredoo does acknowledge however that the CRA is within its rights to address these proposals through the appropriate regulatory instruments where and only if needed to correct market imbalances.

### Taxonomy of Tariffs

- 2.9 Ooredoo cannot agree with the CRA's proposed taxonomy of tariffs which is adding to the confusion of tariff regulation, applied on a discriminatory basis without justification, and virtually removing any ability for Ooredoo to fairly compete in the marketplace. The proposed definitions included as part of this taxonomy have become even more confusing after the industry meeting on 19 July 2018 as representatives from the CRA each held their own different version of their intended meaning.
- 2.10 **Standard Tariff (ST).** The definition of a standard tariff (page 27 of CD2) can be interpreted to be a tariff that applies to all consumer customers and to all business customers. It can also be interpreted to apply to everyone that is part of a group of customers which is all businesses or all residential customers. Ooredoo finds that these descriptions seem to be one and the same. For clarity, we propose that this definition is amended as follows:
- A tariff offered by any SP to all business customers or to all residential customers or to all members of a subgroup of such customers. For example, a standard tariff may apply to all schools, all SMEs, all retirees etc.
- 2.11 **Bespoke Tariff (BT).** The CRA's proposed definition of a bespoke tariff implies that a Bespoke Tariff is also a Standard Tariff as it is made available to a group of customers. Ooredoo argues that a BT is actually not applicable to groups of customers and thus does not meet the definition of a Standard Tariff. In fact, our bespoke tariffs are tailored offers/unique solutions provided to a specific customer based on individual requirements. These solutions more and more frequently are also inclusive of non-regulated services. We ask that the CRA amend this definition to accurately reflect what is happening on the ground as follows:
- A tariff offered by any SP to a specific customer based on its unique requirements.
- 2.12 **Below the Line Tariff (BTLT).** The proposed definition of this tariff limits the ability to provide BTLT only to non-DSPs even though the definition clearly states that "such tariffs are of negligible value and therefore by their very nature they do not adversely affect competition." Accordingly, there is no legitimate rationale to exclude a DSP from not being able to provide BTLT tariffs. To ensure that CRA regulations are non-discriminatory with respect to all service providers as per Article 6 of the Telecommunications Law, this definition should be amended as follows:



- A promotional tariff offered by **any SP** to a specific customer or group of customers and NOT accessible to all customers. A BTLT must be of negligible value and therefore by its nature does not adversely affect competition.

2.13 **Promotional Tariff.** The CRA has defined this tariff as a tariff that is available to customers for a limited time that cannot exceed a period of 3 months for an SP (CD2 Section 3.5). It is unclear however how long a DSP (CD2 page 37). is entitled to offer a promotional tariff. To ensure that CRA regulations are non-discriminatory with respect to all service providers as per Article 6 of the Telecommunications Law, we recommend that this definition is amended as follows:

- A tariff offered by any SP which is intended to be available to customers on a time limited basis, which cannot exceed a period of over 3 months.

Ooredoo also sees no harm to the sector from repeating promotions where they do not tie or lock in customers to long term contracts. The rationale for the CRA's prohibition on repeating promotions until 6 months after the initial promotion has expired has also not been provided. The ability for service providers to repeat promotions on a more frequent basis such as 3 months for example, provides valuable information to support price points for new services as well as an opportunity to understand demand for services for a particular market segment. Accordingly, we ask the CRA to reconsider the timeframe for which promotions can be repeated as means to speed the delivery of new services to the market.

2.14 **Loyalty Programs.** Ooredoo cannot support the regulation of loyalty programs as part of a RTI as:

- Loyalty programs cannot be defined as tariffs under the ARF
- Customers do not have to participate in such programs in order to subscribe to telecommunications services. These programs are in fact optional and in place for the purpose of rewarding customers based on their loyalty
- Telecoms regulators elsewhere do not regulate loyalty programs through retail tariff instructions if at all. We also note that the loyalty programs for other economic markets in Qatar—banking, airlines, restaurants, retail, grocery—are unregulated as far as we are aware.

2.15 The CRA's attempt to define a loyalty program as a tariff cannot be validated as a loyalty program does not meet the parameters of the definition for tariffs as described in the telecoms by-law and the Individual License. For example, a tariff is defined as "a statement of prices, rates, charges or any other compensation including related service descriptions or terms and conditions such as rebates, waivers or discounts offered by a Service Provider regarding any of its services." A loyalty program is clearly not a statement of prices, charges etc. for a telecommunications services nor is it part of the related terms and conditions of such services. It is also not a form of compensation such as rebate, waiver or discount for a service that has not been rendered as per the prescribed terms and conditions of a particular telecommunications service.





- 2.16 Instead of a tariff for a telecommunications service, a loyalty program is a rewards system that allows customers a means to accumulate points to redeem products and services purely on an optional or voluntary basis. For example, no customer is required to participate in a loyalty program in order to subscribe to and use the Ooredoo services. Where customers participate in such programs, they can redeem points against a list of products and services that is ever changing and not specific to Ooredoo telecommunications services. Points are also accumulated through the use of 3<sup>rd</sup> party service providers such as through the use of the QNB Credit Card.
- 2.17 Considering that loyalty programs are not tariffs under Qatar's legal framework, they cannot be regulated as part of an RTI. There is also no practical means of filing such programs due to their constant changing nature.
- 2.18 Ooredoo informs its customer of existing loyalty programs on a non-discriminatory basis and keeps them updated regarding any changes. We publish this information on our website with regular updates to customers through Ooredoo apps, SMS and other messaging services. The CRA also has complete visibility of Ooredoo's total costs for its loyalty program through the Regulatory Accounting System.
- 2.19 **Solution.** Ooredoo believes that any concerns the CRA may have in this area will be addressed through similar programs offered by our competitors who are able to establish their own loyalty programs without any dependency on Ooredoo networks and services. Ooredoo's position of dominance in the fixed markets also does not constrain in any way our competitors' ability to develop similar programs if they choose to do so.

### Filing, Publication, Approval and Monitoring of Tariffs

- 2.20 **General obligation to file tariffs.** The CRA continues to propose in CD2 that all SPs shall be required to file and publish Permanent, Promotional, Loyalty<sup>3</sup>, Bespoke tariffs and offers even for competitive markets. When service providers specifically asked the CRA to provide its rationale to support this proposal at the industry workshop on 19 July 2018, the CRA did not explain for example that these requirements, which increase the regulatory burden on all parties, including the CRA, is in response to a cost-benefit analysis that provides evidence to support more regulatory oversight in order to address market failures, foster effective competition, protect consumer interest, and to increase access to technologies and services.
- 2.21 Ooredoo also suggests that the CRA's desire to better understand the market can be achieved without costly and labour intensive regulations such as through consumer surveys, sector studies, published prices for services, industry forums and publications. We also do not believe that a 'need to understand a market' is a legitimate basis for introducing regulations that increase costs for service providers, which ultimately increase the price of services for customers.

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<sup>3</sup> Ooredoo response pertaining to loyalty programs is addressed above in Section 2.14.

- 2.22 We further note that neither the telecoms law nor its by-law include an obligation for non-dominant service providers to file tariffs with the CRA. This requirement is in fact discretionary. The CRA has also replaced all Annexures in the Individual Licenses relating to retail tariffs through its RTI 2015.<sup>4</sup> Thus the provisions of these license annexures can no longer be used as a means to support a legal requirement for a non-dominant service provider to file retail tariffs for competitive markets. We note that this position is also held by QNBN and Vodafone and referenced in their responses to CD1. Further considering that the CRA has not provided a legitimate rationale for why it is necessary for non-dominant service providers to file tariffs for competitive markets, we expect the CRA to exclude such regulations from its final version of the RTI 2018.
- 2.23 **Solution.** In place of a requirement to file tariffs for review in competitive markets, the CRA requirement should be for all service providers to publish all retail tariffs on their website and at their retail outlets. This transparency enables the CRA and consumers to validate the terms and conditions of offers at any time. However, for markets that are non-competitive both SPs and DSPs should be required to file and publish tariffs prior to launch. This proposal supports CRA oversight where competition is still developing and reduces the burden of regulation where no longer warranted.
- 2.24 **Bespoke Tariff.** We explained in our response to CD1 and to the CRA in a meeting held on 19 July 2018 the impracticality of ex-ante approval and publishing of bespoke tariffs. We summarize the key impediments as follows:
- The obligation for a DSP to file a bespoke tariff or project bundle for approval will effectively eliminate Ooredoo from any bidding process as the time frames for CRA tariff approval are open-ended while a bidding process has specific deadlines that must be met in order to qualify.
  - The obligation to publish a bespoke tariff contravenes confidentiality clauses included as part of project contracts meant to protect the proprietary nature of a client's unique solution. It exposes Ooredoo price points for unique solutions that may not be replicable for other customers and sets us up for the entertainment of additional discounts as business customers typically ask for discounts off of **any** published prices. Finally, the publication of bespoke tariffs inhibits any SP's ability to compete in adjacent markets where other companies (e.g. ICT solutions providers) are not subject to the publication of their offers inclusive of telecom services.
- 2.25 Furthermore, the CRA has not made clear how this increase in regulatory oversight is beneficial to the market. For example, how will regulations that compromise business opportunities particularly for a DSP benefit consumers? The only advantage we see is for Vodafone as it will be the only SP that can participate in bids for telecommunications services which means the effect of this proposal is to create a monopoly service provider for bespoke/project based markets, ensuring that

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<sup>4</sup> Retail Tariff Instruction, Communications Regulatory Authority, P. 4

consumers and businesses have no bargaining power other than to accept the proposed terms and conditions of service. In this respect, Ooredoo highlights the fact that the CRA considers outcomes “where there is a significant loss of rivalry between actual or potential competitors” as meeting the definition of substantial lessening of competition which is prohibited by the telecoms law.<sup>5</sup> Accordingly this CRA proposal compromises the ARF as it lessens the rivalry between service providers.

- 2.26 **Solution.** We offer an alternative proposal that we believe meets the CRA’s objectives for ensuring fair completion and are available to discuss in more detail. This proposal envisages that Ooredoo will provide its prices for fixed services included as part of a bespoke tariff (definition as per para 2.11 above) to the CRA on a quarterly basis. Quarterly reports will include a description of each solution offered, and the price for the fixed services offered as part of the solution. We will demonstrate as part of these reports that the prices for the fixed services are above cost and meet our legal obligation as a DSP not to “substantially lessen competition.”
- 2.27 **Promotional Offers.** References to promotional offers in the CD2 are contradictory. In Section 3.5 for example, the text says that all SPS must limit promotions to a maximum of 3 months. In the Glossary section, a promotional tariff is defined as a tariff that is intended to be available on limited basis and in the case of the DSP this refers to a period exceeding 3 months. Although we consider this latter statement to be an error in wording, Ooredoo does not understand the basis for the CRA to make a distinction between SPs and DSPs when it comes to promotional offers.
- 2.28 Ooredoo also argues that there is no value to the sector in limiting the amount of discount that an SP can offer as part of a promotion as this would not substantially limit competition. In fact consumers will be the losers if this proposal becomes a regulation as discounts applied as part of promotions effectively lower the base tariff particularly for cases where a customer only remains with the SP for the minimum service period--3 months. Furthermore, the ability of a service provider to offer discounts of up to 100% allows all SPs to test demand for new products and determine appropriate price points after taking into account other factors such as usage and subscription price elasticities. On the other hand, limiting the discount level for promotional offers to 20% and restricting the time period within which a promotion can be repeated impairs this ability.
- 2.29 The CRA has also not demonstrated to service providers via a cost-benefit analysis why this regulation is justified in order to prevent negative market outcomes. Ooredoo’s view is that this regulation will actually lead to negative market outcomes as SPs are forced to make uniformed pricing decisions, which are difficult to correct later. For example, the CRA’s proposed 20% discount threshold forces an SP to introduce new permanent tariffs for any price drop in excess of 20% without the ability to test customer response to these price levels.

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<sup>5</sup> See Section 2.2.1, “Meaning of Substantial Lessening of Competition,” [Competition Policy](#), Communications Regulatory Authority, 21 October 2015.

2.30 Ooredoo is also unaware of any arguments that can be used to support the filing and **subsequent approval** of a promotional offer by a DSP prior to launch considering that:

- Promotions are offered on a non-discriminatory basis as they are available to all customers of a particular group or market segment
- Where there is some competition in a market, a DSP would be prevented from offering discounts that would have the effect of substantially limiting competition and the CRA has the right to investigate on an ex-post basis where it suspects this might be the case
- Where there is no competition in a particular market, customers can only benefit from the promotion.

2.31 **Solution.** Any service provider should be permitted to offer up to a 100% discount on a Standard Tariff for a period up to 3 months. DSPs should be able to file these tariffs without needing to wait for approval in order to launch. The CRA has the right to intervene on an ex-post basis where promotions meet the criteria of substantially lessening competition.

- **This solution satisfies the criteria for fair competition and reduces the regulatory costs/burden for SPs and the CRA.**

### Non-discrimination

2.32 Ooredoo in principal supports the CRA's position in Section 3.7 of the CD2 that no service provider shall afford "undue discrimination against a particular customer or a group of customers of any class or description" and thus the applicability of this provision on both non dominant and dominant service providers. In this respect it must be acknowledged that price discrimination may have both positive and negative impacts on overall market efficiency. Ultimately price discrimination, which has an effect of reducing market efficiency has this effect regardless if it is exercised by a DSP or a non-DSP.<sup>6</sup> Prohibition of this kind of price discrimination should hence apply to both types of service providers—dominant and non-dominant. On other hand, price discrimination that increases economic efficiency and intensifies competition should not be prohibited especially in an industry with high fixed costs (such as telecommunications), where price discrimination is a means to efficient cost recovery for service providers. In fact, virtually all current tariffs for telecommunication services are based on price discrimination (e.g. subscribers to higher service volume bundles pay a lower per unit price than subscribers to lower service volume bundles, while underlying service costs differential does not necessarily correspond to the difference in unit prices. Indeed a price discrimination based on price elasticity typically leads to the increase in total volume sold and its prohibition would have just the opposite

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<sup>6</sup> This obviously excludes the predatory price discrimination that has an effect of excluding non-DSPs from the market.

effect, i.e. the reduction of sold volumes and potential exclusion of price elastic segment from the service consumption altogether.<sup>7</sup> Hence if a specific type of price discrimination is approved for a non-DSP, there should be no requirement for a DSP to justify the very same price discrimination if the positive effects of this price policy have been already recognized by the CRA.<sup>8</sup>

- 2.33 Considering the above arguments, a DSP should only be required to demonstrate that its price is set above the relevant cost to prevent an exclusionary impact on other SPs. Alternatively, allowing a specific type of price discrimination only for a non-DSP will unjustifiably exclude a DSP from competing for a specific customer segment and thus artificially manipulate the market outcome.
- 2.34 Furthermore, this section (i.e. 3.7 of the CD2) needs to specifically indicate that it applies to Standard Tariffs to be consistent with the rest of the regulations indicative of this section. For example, an SP would not publish a tariff for a bespoke offer as per para 60.3 neither would it develop a bespoke offer that would detail specific criteria as per para 60.2 that qualifies a customer or group of customers to receive the tariff as a bespoke solution is designed solely for an individual customer based on its unique requirements.
- 2.35 Ooredoo also considers the requirement to include a description of the 'specific' criteria that qualifies a customer or group of customers for a tariff problematic in terms of actual on the ground implementation. This regulation in fact will limit the flexibility for how an SP can respond to competition in the market and provide differential price points that change from time to time based on contracts with partners, customer usage of services etc.
- 2.36 Ooredoo and Vodafone response comments to CD1 asked the CRA to define what would be a sufficient justification for any discrimination. We note that CD2 still asks DSPs to provide a 'sufficient justification' regarding any discrimination but remains

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<sup>7</sup> Firms with substantial investments need to recover their fixed costs by pricing their products or services above marginal costs. For such firms, it makes sense to price discriminate between customers whose willingness to pay for the product or service in question is high and those whose willingness to pay is low. While the prices charged to the former will be well in excess of marginal costs, the prices charged to the latter will be near marginal costs, but nevertheless contribute to the firm's fixed costs. This approach enhances economic efficiency. It allows the price discriminating firm to efficiently recover its fixed costs and thus protects its incentives to make investments. Moreover, customers with a low willingness to pay might be able to acquire a product or service, they may not necessarily be able to afford under a uniform price. By contrast, if a firm is forced to charge uniform prices, any price reduction it makes to get a marginal customer will make it lose some profits from the customers who are prepared to pay a higher price. If the profit loss from less price sensitive customer higher than profit gain from highly price sensitive customers a firm, which can only impose a uniform price will select a price that many marginal customers will not be willing to pay even though they value the product more than the marginal cost of producing it. This results in reduction in market efficiency.

<sup>8</sup> The only legitimate regulatory concern in this case would be the case of pricing below the cost by the DSP and potential exclusionary impact on competitors.

silent regarding its own criteria. In the absence of clearly defined CRA justification criteria, however, DSPs will be subject to arbitrary and discriminatory decision making processes.

- 2.37 **Solution.** Ooredoo suggests that the CRA develop criteria for justifications for price discrimination based on the potential anti-competitive aspects that could be associated with the price discrimination. These are primarily below cost pricing and margin squeeze.

## Discounts

- 2.38 Ooredoo finds the language in para 62 inconsistent with the CRA's overall approach to discounts. For example, this para implies that discounts may only be offered to specific market segments or to a group of customers. Ooredoo's understanding of the CRA's actual intention of the RTI is that discounts can be offered to **any** customer and not just to categories or segments of customers. We therefore propose that this para is rewritten as follows:

- SPs may offer discounts to any ~~market sector~~ customer in Qatar.

- 2.39 The CRA proposes to set a maximum discount level of 20% for all customers. We note that para 63 makes it clear that this limit of 20% is for Standard Tariffs and not inclusive of Bespoke Tariffs. Ooredoo further argues that this discount limit should not be applied to Promotional Tariffs as explained above. Thus, this section should be amended to clarify that the discount threshold of 20% pertains to **Standard Permanent Tariffs**.

- Ooredoo finds that there is no rationale to support a CRA regulation requiring a DSP to submit sufficient justifications regarding discounts that the CRA has set itself and thus already intrinsically preapproved. For example, the CRA in Section 3.8 of CD2 acknowledges that setting a 20% discount threshold is based on its understanding that resulting prices proposed by SPs with this threshold "**will not be below costs**" and "**will be replicable by competitors.**" Accordingly, a requirement for a DSP to further justify this discount is without merit. As the CRA acknowledges that there is no harm to competition with discounts of 20%, Ooredoo can only consider a requirement for a DSP to have to justify the same discount as means for the CRA to delay our ability to match discounts in the market place and/or prevent us from providing them altogether by not accepting any justification that we provide.

**Solution.** All SPs are allowed to offer discounts on Standard Permanent Tariffs up to 20% without the need to justify. This solution lowers the regulatory burden and ensures that consumers benefit from a competitive process whereby at least 2 service providers compete for customers.

- 2.40 Ooredoo remains fundamentally opposed to the removal of the De Minimis provisions particularly as they apply to promotions. In absence of these provisions, Ooredoo will not be able to compete on a level playing field with its competitors. The CRA has also



not made clear how the removal of the De Minimis actually contributes to the enhancement of market efficiency or addresses the abuse of dominance by a DSP. In absence of any valid justification, the De Minimis provisions from the RTI 2015 must be maintained in any new rendering of the RTI.

### 3. Provisions Specifically for DSPs

Ooredoo does not accept a prohibition on the use of the BTLT by DSPs for reasons explained above. We also cannot support the CRA's position that a loyalty program is a tariff as this is inconsistent with legal framework for the sector. We have explained the impossibility of filing bespoke tariffs and our counter solution. Accordingly, we do not agree that a DSP should be obliged to file tariffs according to the categories listed in Table 4 of the CD2. Instead, we have developed counter proposals for tariff regulation that meet CRA objectives while ensuring a competitive playing field among service providers and providing incentives for investment. These counter proposals are depicted in tables 1, 2 and 3 below and aligned with our proposals expressed herein.

Table 1. DSP Tariff Regulation—Non-Competitive Markets

	DSP				
	Standard Tariffs			Below the Line Tariffs	Bespoke Tariffs
	Permanent	Promotional	Loyalty	Promotional	Permanent
Tariff filing	Y	Y	N	N	N
Approval	Y	N*	N	N	N
Publication	Y	Y	N**	N	N
Monitoring	Y	Y	Y***	Y	Y****

Table 2. Non-DSP Tariff Regulation—Non Competitive Markets

	non-DSP				
	Standard Tariffs			Below the Line Tariffs	Bespoke Tariffs
	Permanent	Promotional	Loyalty	Promotional	Permanent
Tariff filing	Y	Y	N	N	N
Approval	N	N	N	N	N
Publication	Y	Y	N**	N	N
Monitoring	Y	Y	Y***	Y	Y****

Table 3. SP Tarrif Regulation—Competitive Markets





	non-DSP				
	Standard Tariffs			Below the Line Tariffs	Bespoke Tariffs
	Permanent	Promotional	Loyalty	Promotional	Permanent
Tariff filing	N	N	N	N	N
Approval	N	N	N	N	N
Publication	Y	Y	N**	N	N
Monitoring	Y	Y	Y	Y	Y

\* Promotion under DeMinimis are pre-approved. Promotion outside of the scope of DeMinimis would be filed for approval

\*\* Customers will be transparently informed of the loyalty program via customer centric channel in a non-discriminatory fashion

\*\*\*Information on total cost of loyalty program is available to CRA via RAS

\*\*\*\*Quarterly reports will be submitted to the CRA to demonstrated above cost pricing

3.1 Ooredoo has also reviewed the CRA’s proposal for the Tariff Document Form as per Annex III of CD2 and requests the following amendments:

- Removal of the field for ‘relevant markets.’ This form is intended for customers who will not understand or need to know what the relevant markets (RM) are for the tariff. Furthermore, as the RM status changes with the level of competition and definitions change with MDDD revisions, Ooredoo would have to keep track of the changing status and update tariff forms accordingly which is an unnecessary requirement considering the lack of impact this change has on customers.
- Exclusion of the references to taxes and levies as part of the Charge Rates field. Ooredoo prefers to amend this text as follows: All the Charges and Rates must be in QAR and are exclusive of any taxes and levies. This exclusion prevents Ooredoo from having to update all tariff documents each time taxes and levies change.
- Criteria for customers/groups to access tariffs fields should be replaced with the word ‘discounts’. The box to the right of this field can indicate the amount of the discount available, i.e. not to exceed 20% and the relevant criteria. The criteria must remain general enough to allow for changes in circumstances that affect costs, provision of services, total spend and customer unique requirements.

3.2 Ooredoo has also explained above that as the telecoms legal framework for Qatar does not link the availability of wholesale offers to retail tariff approval, this requirement cannot be included as part of a RTI or in its related Tariff Template Form.

3.3 The timeframes described in paras 87 through 89 are confusing. The CRA for example is requiring an extended period of 10 days (i.e. current period is 5 days) after receiving a DSP tariff filing in order to review, ask for clarification accept or reject a tariff. It then says that this time period will be restarted once any requested clarifications have been received from the DSP. Ooredoo asks for clarification



regarding how long this review and approval process can go on as wording implies that there is no maximum time period before a decision can be made. Such uncertainty makes it impossible for Ooredoo's Marketing Team to plan new product launches etc. and thus meet business planning milestones.

### **Bundled Services**

- 3.4 The CRA's is proposing to amend the RTI 2015 Section 4.4 pertaining to 'bundles' with new provisions discussed in Section 4.3 of CD2. These proposals could potentially condition the approval of DSP tariffs for bundled services based on the:
- Availability of wholesale products offered to SPs that enable the provision of the same services as the DSP
  - DSPs ability to demonstrate that other SPs can replicate a bundled offer by using its own network or with wholesale products currently provided by the DSP
  - Identification of separate charges applicable to the bundled services.
- 3.5 For Ooredoo to continue to remain relevant to its customers and grow its revenues, we must be afforded the ability to develop unique bundles in partnership with content providers and others to meet growing demand from our customers for digital services of all types. We expect that our competitors will follow a similar product roadmap.
- 3.6 Conditioning the approval of the bundles based on whether there are wholesale products available that enable our competitors to provide the same services or our ability to demonstrate that other SPs can replicate the bundle is unlikely to be productive from a regulatory or commercial perspective and represents an overreach of regulatory authority. The more likely outcome for instance is that customers will not be able to benefit from new service bundles.
- 3.7 We also remind the CRA that the Telecoms Law, its Bylaws and the Individual license do not provide any references that link **retail** tariff regulation with the availability of **wholesale** offers regardless of whether or not this is the practice in EU or other GCC nations. The guidance for the regulation of wholesale services is provided for under Chapter Five in the Telecoms Law and Chapter Four in the Bylaws, i.e. regulation of interconnection and access. Moreover, based on the regional experience, Ooredoo believes that its Reference Infrastructure Access Offer (RIAO), which provides competitors with access to duct infrastructure and thus enables them to deploy their own fixed line infrastructure and compete in the fixed telecoms market is the superior enabler to fixed market competition and thus achieves the CRA's desired result.
- 3.8 The ARF does not extend the regulatory umbrella to non-telecommunications services such as video streaming and other digital media. In fact Article 3 of the Telecoms Law specifically clarifies that the content delivered by means of Internet Protocol telecommunications networks is not subject to provisions under this law.

- 3.9 The CRA further suggests in para 97 that a DSP may be required to offer the service elements of a bundle separately. As this statement is vague, its application will likely result in random, arbitrary regulatory decisions. Furthermore, the CRA's authority in this area is limited to regulated telecommunications services.
- 3.10 Ooredoo's view is that the only relevant consideration regarding the regulation of bundled offers is the potential of such offers to foreclose a market to another SP. In this respect, the CRA should be concerned about where the price of the bundle is below the combined cost of the bundled service. This is also consistent with the License provision in Annex I (3.4. Anticompetitive Discounts): *"A DSP will not offer a significant discount...that has the effect of foreclosing another licensed service provider from a significant portion of any public telecommunication service market."*
- 3.11 **Solution.** Based on the above discussion points, Ooredoo's proposes that a tariff involving bundled services should be:
- evaluated against the same anti-competitive criteria as other telecommunications services provided by DSPs, i.e. they should be evaluated based on whether they are below cost, do not cross-subsidize and apply no margin squeeze
  - Approved based on cost information for regulated telecom services and exclusive of any requirements regarding information for non-regulated services.
  - Contingent upon requirements related to wholesale regulations.

## 4. Other comments related to CD2

### Extending CRA's initial tariff review period from 5 to 10 days

- 4.1 The CRA is proposing to extend the time frame for which it can make an initial response to a filed tariff from 5 to 10 days. This proposal will serve as an additional barrier and bottleneck to the rollout of new services particularly for DSPs. As a means to facilitate a faster response time, Ooredoo suggests that the CRA streamline its tariff processes and reduce the regulatory burden for all parties, particularly for competitive markets.

### Geographic Differentiation of Charges.

- 4.2 Ooredoo supports the CRA's proposal in Section 3.14 of CD2 as long as this proposal continues to apply to all SPs on a non-discriminatory basis. For example, we are not aware of arguments that could be used to justify why a DSP should be required to provide uniform geographic pricing whereas an SP would be free to differentiate prices by area. We also do not believe that such a scenario would be acceptable to consumers in Qatar.

### **Compliance, monitoring, enforcement and review**

- 4.3 Ooredoo strongly objects to the proposal described in para 110.3. For example, an Order to withdraw a Tariff cannot be based on the publication of misleading GT&Cs. If anything the Order should actually be to withdraw the GT&Cs if they are in fact misleading by any reasonable determination. Ooredoo is genuinely confused by this CRA linkage which is not referenced under Qatar's legal framework for telecommunications services.
- 4.4 The CRA further mentions that compensation to customers will also be required in these cases. No parameters, methodology, exact circumstances etc....for when or how an SP would be required to compensate customers has been provided. Moreover the CRA threatens to issue other Orders obliging SPs to provide illegal telecommunications services for free to affected customers until the expiry date of their contracts. None of these proposals are supported by the telecoms legal framework.
- 4.5 The process that the CRA must follow in the award of financial penalties is described as part of Article 62 of the Telecoms Law as amended in 2017. Ooredoo trusts that the CRA will abide by the provisions of the laws of Qatar.

## **5. Conclusion**

- 5.1 Ooredoo finds that the CRA proposals discussed in the CD2 remain substantially burdensome without any tangible benefit to the sector. They are also for the most part unsubstantiated as the CRA has not provided theoretical, quantitative or even qualitative evidence that identifies the magnitude of the problem that they are trying to address and remedy expected through its proposals. This is particularly problematic considering the cost that industry will incur in their efforts to comply.
- 5.2 The CRA must measure the economic impact of its decisions before it issues these regulations. Decisions cannot continue to be made in an ad hoc manner and without rigorous analysis where such decisions impact the underlying business propositions of service providers and influence market outcomes.
- 5.3 The CRA's proposals also increase the regulatory burden on the regulator and all SPs in competitive as well as non-competitive markets. This is contrary to international best practices and the CRA's own stated objectives. Considering the international trend to roll back regulation in competitive markets, the CRA's own policy statements and its MDDD Order, the rationale for the CRA proposals continues to remain obscure.
- 5.4 Ooredoo finds that many of the provisions are in fact anti-competitive-- intentionally designed to benefit one type of service provider over the other. The ultimate impact of such proposals is twofold: 1. customers will be the losers, suffering from less investment in new services, higher prices and less choice; and 2. Ooredoo, Qatar's premier telecommunications service provider, will not be able to sustain its business



operations that support national socio-economic development goal and or continue to bring international acclaim to the country.



August 15, 2018

Ref: 2018/REG/PB/8-217

**Mr. Mohammed Al Mannai**  
**President**  
**Communications Regulatory Authority**  
**P.O. Box 23264, Al Nassr Tower**  
**Doha, Qatar**

Dear Mohammed,

**Subject: Second Round/Review of the Retail Tariff Instructions for Individually Licensed Service Providers (RTI)**

At the outset Qnbn wishes to note its appreciation to the Communications Regulatory Authority (CRA) for undertaking a paradigm shift on the requirement for non-DSP's being required to obtain approval of its Tariffs as opposed to simply filing. As Qnbn indicated in the first round of Submissions the requirement to seek approval would actually impede competition to the overall detriment of retail customers. Further, by virtue of article 43 of the Telecommunications Law it is only the DSP which can engage in tariff conduct and activities which constitute abuse of dominance. Qnbn is pleased that the RTI will not impose unnecessary and unduly onerous obligations upon non-DSP's to objectively justify the basis for its retail tariffs by seeking prior approval.

As stated previously Qnbn has no issue that its tariffs must stand the test of non-discrimination. Further, Qnbn will ensure that it will always be able to objectively justify that its tariffs do not discriminate.

With respect to the issue of non-discrimination, Qnbn notes that the CRA has introduced the entitlement of Service Providers to offer discounts to the market of up to 20% of the Standard Tariff. This means that any offer to a particular customer or group of customers which is 20% or less will not constitute discrimination provided the discount is available to all customers or group of customers meeting the qualifying criteria.

In the Industry Workshop provided by the CRA a great deal of confusion arose as to the manner Service Providers would be able to provide this 20% discount as well as to what constitutes a customer group. Also, there is some confusion as to when a requirement to file such discount may arise. It would be useful, as well as educational, for the CRA to illustrate various scenarios of the application of the 20% discount in its Second Round Decision. This will assist in ensuring that Service Providers do not unwittingly wander into the realm of discrimination.

Qnbn notes that the CRA has acceded to Ooredoo's request to remove references to wholesale charges. Qnbn acknowledges that the Retail Tariff Instruction proceeding is probably not the opportune proceeding to address wholesale charges.



**However, Qnbn is strongly of the view that it is incumbent upon the CRA to initiate and develop and ARF for wholesale services and charges. By way of this Submission, Qnbn formally requests the CRA take the steps necessary to initiate and develop an ARF for wholesale services and charges.**

As the CRA is aware the rates developed for duct access, whether recurring or one time charges, were never part of a formal Consultation. Further, as the duct access market has evolved with Developers now in play, Qnbn notes that the DSP is undertaking a network management role with Developers which result in different charges and parameters for duct rental, access requests, etc. Undeniably the DSP has the size and power to influence developers on the rates to be levied upon Access Seekers, which argues in favor of such rates being viewed as wholesale charges.

These varying charges mean that rates and services differ from one developer to the next. Accordingly cost structures differ for Qnbn depending on the development which may require different rates for different developments. Even simple backhaul facilities may cost differently in various developments and require different pricing. Qnbn is well aware of the CRA's desire for uniform rates throughout the State of Qatar. However, uniform rates are necessarily predicated upon uniform costs. Qnbn respectfully submits that it is now incumbent upon the CRA to undertake a broad and all-inclusive Wholesale Tariff proceeding with a view to adopting principles for existing wholesale services (duct infrastructure, access requests, etc. for Ooredoo and Developers) as well as future wholesale services offered by the DSP.

The CRA is far more aware of the wholesale services which are anticipated to be required in the future by entities such as Vodafone or which it itself wishes to be introduced into the marketplace by the DSP. Qnbn is of the view that now is the time to develop a well-structured ARF for existing wholesale charges and services which can serve as a potential model for future services.

Qnbn will be happy to elaborate upon any matter discussed above at the CRA's discretion.

Yours sincerely,



**Philip Brazeau L.L.M., J.D.**

**Head of Regulatory**

**Qatar National Broadband Network**

6 September 2018

The Communications Regulatory Authority  
Al Nasr Tower B, Corniche  
PO Box 23404, Doha, Qatar

**Re: Response of RigNet Qatar, W.L.L., to Retail Tariff Instruction (“RTI”) for Individually Licensed Service Providers: Response Document and Second Consultation Document**

The Communications Regulatory Authority:

RigNet Qatar, W.L.L. (“RigNet Qatar”) would like to thank the Communications Regulatory Authority (“CRA”) for its invitation to participate in the comment process for the Retail Tariff Instruction (“RTI”) for Individually Licensed Service Providers Second Consultation Document (“CD2”).<sup>1</sup> RigNet Qatar has reviewed the materials associated with this consultation, including the workshop presentation<sup>2</sup> and the summary of comments of those parties who participated in the first consultation.<sup>3</sup> RigNet Qatar hopes that its comments in this proceeding will assist the CRA in considering pro-competitive adjustments to the Applicable Regulatory Framework (“ARF”) and license conditions of Individually Licensed Service Providers (“SPs” or “Licensees”) providing niche VSAT services in Qatar. In this connection, to the extent that additional input regarding the issues noted herein may be useful, a further consultation or other opportunity for comment may be appropriate.

**RigNet Qatar.** RigNet Qatar is a licensed, non-dominant provider of VSAT services, having obtained a license to offer limited VSAT services in December 2010.<sup>4</sup> We offer two-way telecommunications services to closed user groups using VSATs to communicate with

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<sup>1</sup> *Retail Tariff Instructions (“RTI”) for Individually Licensed Service Providers: Response Document and Second Consultation Document*, dated June 12, 2018, CRARAC 2018/06/12 (“CD2”).

<sup>2</sup> See email correspondence from Maria Cristina Rivera, CRA (dated 08 March 2018).

<sup>3</sup> See email correspondence from Maria Cristina Rivera, CRA (dated 12 June 2018).

<sup>4</sup> RigNet Qatar W.L.L., License for the Provision of Very Small Aperture Terminal (“VSAT”) Networks and Services (ictQATAR, issued 22 December 2010) (“VSAT License”).

satellites in geostationary orbit in compliance with our VSAT License and the ARF. The VSAT License expressly prohibits RigNet Qatar from offering public telecommunications services or services other than authorized VSAT services and we do not offer services to the public or outside this limited scope.

RigNet Qatar is one of three Licensees authorized to provide limited VSAT services, along with Harris Salam and QSat. In contrast, other Licensees include those offering extensive public telecommunications services (Ooredoo Q.S.C. and Vodafone P.Q.S.C.), public satellite telecommunications services (Es'hailSat) and passive fixed telecommunications services (QNBN).<sup>5</sup> Thus, CRA licensees can be divided broadly into those for public telecommunications services and those for limited, niche services such as authorized VSAT services.

**The RTI Consultation.** RigNet Qatar applauds the CRA's efforts to afford additional flexibility to Licensees in offering services to customers. Within the constraints of the ARF and individual PS licenses (like the RigNet Qatar VSAT License), the RTI Consultation seeks input on appropriate deregulatory measures that may enhance telecommunications service availability in the Qatar market, while at the same time preventing anti-competitive abuse or discrimination by SPs with significant market power (dominant SPs) or unilateral control over the terms and conditions of services offered to customers.

Previous commenters in this proceeding were primarily large telecommunications providers who offer public telecommunications services.<sup>6</sup> This is entirely understandable because tariffs and similar consumer protections are often applied in the context of public telecommunications services because service offerings and consumer/small business customers are relatively uniform (i.e., similar fixed and wireless plans are offered generally and accepted by customers throughout the national market). Although the regulatory principles embodied in

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<sup>5</sup> See *Review of the Retail Tariff Instructions for Individually Licensed Service Providers ("RTI"): Consultation Document*, dated March 08, 2018, CRARAC 2018/03/08, at 3-4 ("CD1"). See also <http://www.cra.gov.qa/en/regulatory/service-licenses/licensees>. The CRA also has adopted certain class licenses to facilitate competition, including for resale of telecommunications services. See <http://www.cra.gov.qa/en/regulatory/service-licenses/class-licenses-0>.

<sup>6</sup> See CD2 at 5-15.



the CD2 apply best to these large-scale public telecommunications service offerings in which the customers have limited or no negotiating power relative to their providers, they may not be appropriate in the context of limited VSAT service offerings to sophisticated enterprise users.

In this consultation, CRA has an opportunity to consider further modification of its tariff and license requirements as they apply to Licensees serving the niche enterprise VSAT market. Rather than applying the same “one-size, fits-all” approach to public telecommunications services to consumers/small businesses and limited VSAT services to enterprise users, the CRA may consider whether the services and markets are sufficiently distinct as to warrant different approaches to tariffs and contract terms such as discounts and minimum term commitments. In other words, the VSAT market may be sufficiently competitive and unique that application of strict tariff requirements, even with the potential for flexibility or deviation upon CRA approval, may no longer be the optimal means of enhancing competition and preventing anti-competitive behavior. Instead, in the context of the enterprise VSAT services market, SPs and their customers may benefit from greater flexibility to develop individualized service offerings on mutually agreeable terms and conditions.

***The Unique VSAT Services Market.*** While acknowledging the usefulness of tariffs to consumer/small business customers obtaining fixed and wireless public telecommunications services from large SPs, RigNet Qatar believes that strict tariff requirements constrain our ability to efficiently and effectively provide authorized VSAT services and may actually disadvantage enterprise customers in the VSAT market. We respectfully request that the CRA consider transitioning to an adjusted approach that preserves fundamental customer protections and pro-competitive principles, while relieving VSAT Licensees and their customers of strict tariff obligations that limit their ability to develop service offerings specifically tailored to an individual customer’s needs.

The closed user group VSAT services authorized in the RigNet Qatar VSAT License are very different from public telecommunications services offered by terrestrial fixed or wireless networks. Rather than serving consumers and small businesses throughout the national market with relatively uniform services at standard package pricing, authorized VSAT services are limited to large enterprise customers by the very terms of the VSAT License. In RigNet Qatar and its parent RigNet, Inc.’s experience, these enterprise customers have unique needs

and circumstances in Qatar and generally (i.e., unique capacity requirements, number and location of facilities to be served, etc.).

Whether they are Qatar-based or local branches of international companies, these customers expect VSAT SPs to meet their unique needs in a cost-effective manner. Strict tariff requirements can constrain the ability of VSAT Licensees to provide cost-effective service by limiting the flexibility to adjust pricing and other terms and conditions to reflect individual customer circumstances. Furthermore, unlike individual consumers of traditional public telecommunications services that have limited bargaining power, enterprise VSAT customers (particularly in the oil and gas sector served by RigNet Qatar) are sophisticated entities that are fully capable of negotiating price and other terms and conditions for authorized VSAT services.

***Competition and Anti-competitive Behavior.*** In the CD1, the CRA appropriately states that the purpose of establishing regulations is to “focus on markets where...competition has yet to develop,” and that “...in competitive markets, regulations should be rolled back...”<sup>7</sup> In the public telecommunications services market (particularly with a dominant service provider), tariffs have an important role in protecting customers and the public interest. But tariffs may be a solution to a problem that the enterprise VSAT market does not have.

The market for VSAT services in Qatar is relatively small, unique and extremely competitive. With at least three VSAT Licensees (and another SP offering public satellite telecommunications services), adopting the same tariff requirements as traditional consumer fixed and wireless telecommunications may not be necessary. Competitive forces in such a market will enhance service availability, constrain provider market power and moderate pricing without the need for a strict tariff regime. In fact, rigorous tariff requirements may well reduce the benefits of competition and could inadvertently result in anti-competitive behavior in the marketplace (e.g., price coordination through published pricing).

In addition, in the market for closed user group VSAT services, the same need to protect the customer does not exist. RigNet Qatar does not have individual consumer/small business customers but instead savvy enterprise customers who are among the world’s largest

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<sup>7</sup> See CD1 at §6.

and most sophisticated commercial businesses. They have sophisticated personnel responsible for negotiating support contracts such as telecommunications service agreements; they are familiar with market trends in pricing; and they are not shy about articulating their needs and protecting their interests. In this unique context, strict tariff requirements can be a source of frustration and increased administrative costs for VSAT SPs and enterprise customers alike.

One important example is the subject of price discounts, which was discussed in detail in the workshop and consultations materials provided to RigNet Qatar.<sup>8</sup> The ARF limits discounting because it can be an anti-competitive strategy, and the workshop materials characterize discounts as something that must be carefully regulated. The ARF and VSAT Licenses start from the assumption that a published tariff is essential to prevent anti-competitive behavior and, under the terms of the CD2, discounts can only be offered if a complicated justifiability demonstration is made, adding both delay and expense.

However, RigNet Qatar respectfully submits that the CRA may wish to revisit its basic assumptions about the structure, functioning, competitiveness, and need for strict tariff requirements in the market for closed user group VSAT services. Rather than individualized customer pricing being viewed as a discriminatory discount, it can be viewed as a pro-competitive means to address the specific needs of individual customers in a cost-effective manner.

Viewed another way, the closed user group market may not be well-served by strict tariff requirements because the circumstances of customers can vary widely based on aggregate capacity needs, the number of facilities to be served, or the geographic distribution of facilities. In such circumstances, developing reasonable pricing for anticipated services can be quite challenging. This is particularly true if additional satellite capacity at current market prices must be secured to satisfy the demands of a new customer. These challenges and other complexities make the use of strict tariffs in the enterprise VSAT

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<sup>8</sup> See *supra* note 2 (Nelson, Stephen. Assessing discounts for Qatar: An economic framework. Regulation Affairs and Competition Department, CRA Qatar. Document for Discussion. Workshop Presentation: 06 November 2017).

services market difficult, and the CRA may wish to consider whether it may be possible to explore another approach in this unique market.

**Next Steps.** Niche, closed user group VSAT services are inherently different from public telecommunications services. The unique nature of the market and the vastly different circumstances of the customers suggest that a different approach to regulation - one which is not easily addressed through uniform tariffs and mandatory terms and conditions - may be warranted.

RigNet Qatar commends the CRA for examining the RTI and related issues in the context of this proceeding. As discussed above, it may not be necessary to apply the same tariff requirements to VSAT Licensees as applied to public telecommunications SPs. We respectfully suggest that the CRA consider the possibility that, for the VSAT market (with its limited scope, unique circumstances and number of competitive providers), it may be possible to adopt guidelines governing VSAT service contracts rather than continuing to impose published tariff requirements and extensive procedures for deviation from those tariffs. If necessary or appropriate, the CRA may wish to obtain additional input regarding the closed user group VSAT market and potential approaches to enhance competition and prevent anti-competitive practices in this specific market.

In the meantime, to the extent that the CRA retains tariff requirements for all SPs (presumably including VSAT Licensees), RigNet Qatar suggests that the CRA consider modifications to the CD2 to provide more flexibility in the closed user group VSAT marketplace and to reflect the high level of competition, sophistication of customers, and desire for individualized communications solutions in the market for these services. For example, the CRA may wish to consider a limited and temporary forbearance from published tariff requirements and discount justification procedures, as well as parallel license provisions, while it obtains and considers additional information regarding this unique market. Although VSAT Licensees could continue to operate pursuant to the ARF, the benefits of limited and temporary forbearance - including increased competition and data on Licensee and customer benefits resulting from such forbearance - would provide additional insight and assist the CRA in exercising its regulatory oversight responsibilities in this area.

\* \* \* \*

For the foregoing reasons, RigNet Qatar respectfully suggests that the CRA should consider alternatives to the tariff requirements applicable to VSAT Licensees and take such other actions to enhance the benefits of competition and prevent anti-competitive behavior in the closed user group VSAT market as described herein.

Sincerely,

*Richard L Begnaud*

Mr. Richard Begnaud  
Director,  
RigNet Qatar, W.L.L.



**Vodafone Qatar P.Q.S.C. submission to the  
Communications Regulatory Authority's consultation  
document**

**"Review of the Retail Tariff Instructions for Individually  
Licensed Service Providers (RTI)"  
issued 12 June 2018**

**06 September 2018**

**Confidential Version**

See supporting letter dated 6 September 2018 for an executive summary.

CRA's CD#2 – Draft RTI	Vodafone Qatar's comments
<p><b>1 Introduction</b></p> <p><b>1.1 Objective and Scope</b></p> <ol style="list-style-type: none"> <li>1. This Retail Tariff Instruction (“RTI”) sets out the procedures and requirements that apply under the Applicable Regulatory Framework (“ARF”) in relation to Retail Offers for telecommunications services provided by Service Providers Licensed in Qatar.</li> <li>2. This RTI applies to Individually Licensed Service Providers (“SPs” or “Licensees”) who offer telecommunication services to the public, both Dominant Service Providers (“DSP”) and non - Dominant Service Providers (“non-DSPs”).</li> <li>3. This RTI is effective from MM/DD/YYYY. <span style="background-color: yellow;">The effective date will be included in the Final version of the RTI.</span></li> <li>4. This RTI applies to Tariffs, defined in accordance with the Individual Licenses and the Executive By-Law to mean: <ul style="list-style-type: none"> <li><i>“any statement of prices, rates, charges or other compensation of any form (including related service descriptions or terms and conditions such as rebates, waivers or discounts) offered by a Service Provider regarding any of its services”</i></li> </ul> </li> <li>5. Wholesale Tariffs or charge controls for wholesale Tariffs fall outside the scope of this RTI.</li> <li>6. This RTI must be read in conjunction with the ARF, including amongst others, but not limited to: <ol style="list-style-type: none"> <li>6.1 The Statement of Competition Policy and Explanatory Document, dated October 21, 2015;</li> <li>6.2 The Telecommunications Consumer Protection Policy, issued in January 2014; and</li> <li>6.3 The Code on Advertising, Marketing and Branding (ref. CRA-CGA/1305/14/ng, issued on September 25, 2014).</li> </ol> </li> <li>7. This RTI <b>replaces</b>: <ol style="list-style-type: none"> <li>7.1 All previous versions of the RTI;</li> <li>7.2 The “Notice Revised Interim Rules for Retail Tariff Assessment”;</li> <li>7.3 The Order setting forth the rules and instructions for on-net/off-net price differentiation for Dominant Service Providers in Qatar dated 15 May 2011 (ICTRA 2011/05/15); and</li> <li>7.4 The Annexures relating to Retail Tariffs (Annexure D) of the Individual Licenses.</li> </ol> </li> </ol>	<p><b>Article 1.1 (1) Objective and scope</b> - Vodafone Qatar reiterates its position as set in our response to the Consultation Document dated 8 March 2018 (“CD#1”) that the CRA’s objective and scope of the Retail Tariff Instruction (“RTI”) should be to apply the Applicable Regulatory Framework (“ARF”). In this RTI, the CRA goes however beyond the ARF in so far as the ARF is focussed on Dominant Services Providers (“DSP”). In fact the tariffs and anti-competitive related provisions of the ARF including the Telecommunications Law as amended by Law No 17 of 2017 (“Telecommunications Law”); the Executive By-Law No. (1) of 2009 (“Executive By-Law”), Annex I of the Public Mobile Telecommunications networks and Services (“Mobile License”) as well as the Competition Policy dated 21 October 2015 (“Competition Policy”) all specifically mention /are intended for DSP. Therefore, we believe that the CRA has unjustifiably and unfairly increased the scope (see CRA table under Article 2.5 (30)) of the RTI without providing any <b>market assessment or legal basis for expanding the scope of the RTI to non-DSPs</b> especially related to discounts and non-discrimination.</p> <p><b>Article 1.1 (2) Application of the RTI to individually licensed Services Providers (“SPs”).</b> We reiterate comment below contained in our Submission dated 12 April 2018 (“Submission”) which was not even considered. We kindly request the CRA to specifically addressed this point.</p> <p>Vodafone Qatar notes that the CRA has mentioned that this RTI applies only to individually Licensed Service Providers in the State of Qatar. However, industry practice reveals that certain third parties such as Ooredoo’s premium partners like Jumbo electronics, Al Anees, Ghasham International, AG Comms and Starlink (a subsidiary of Ooredoo with their office in Ooredoo headquarters) are currently selling handsets for as low as 25QR bundled with Postpaid Plans (see below screenshot).</p>





These premium partners also send out targeted SMS to all Vodafone Qatar customers directly and have joint promotional material advertised in mass market as shown above. If the intent of the CRA is to only regulate the SPs as stated in Article 1.1 (2) then it must prohibit these premium partners and retail stores from selling any telecommunications products or bundles or include them into this Article 1.1 (2) as “Or any other entity selling telecommunication services or products in Qatar”. Failing to do so creates a loop hole in the RTI which is being exploited in the market as shown above.

**Recommended Change** - Vodafone Qatar therefore submits that the CRA can either create a separate instrument to address the matter or state clearly in the RTI that any SP selling any Telecommunications services through any third party shall ensure that they are not in breach of the RTI and will be held directly liable for their breach.



## 1.2 Background

8. This RTI has been developed by the Communications Regulatory Authority (“CRA”), following a consultation process started in March 2018.
9. As Retail Offers and the associated Tariff proposals differ and evolve, this RTI cannot be exhaustive. This RTI provides guidance on how the CRA intends to proceed with Tariff reviews and/or approvals in a **typical** case. In the event the CRA adopts an approach which is materially different from this RTI, a detailed justification will be provided to SPs.

All the steps followed in the proceeding will be included in the final version of the RTI

**Article 1.2 (8)** - Vodafone Qatar believes that the CRA’s consultation process on the RTI has not taken into consideration the common position of the SPs regarding key concerns such as removing ex ante regulation in market deemed competitive by the CRA; removing tenders from the list of tariffs, objective justification applicable for non-DSP only etc. presented to the CRA in the industry meeting on 19 March 2018 as well as the response from the SPs for the CD#1.

This is not in conformance with the CRA’s own standard consultation process<sup>1</sup> which states that “[a]s necessary, meet with key stakeholders to help shape the issues and proposals” and to “[r]evise Draft Consultation Document to reflect comments”. We were anticipating receiving a detailed reasoned response from the CRA to our Submission. Instead, CRA completely ignored certain comments and we received only very partial comments most of which did not include any justification and explanation for the CRA’s position, including legal basis.

In line with good decision-making we kindly request the CRA to consider our comments and justify its position within the confines of the ARF especially as it relates to DSP obligations, non-DSP obligations and non-discrimination.

We also invite the CRA to adopt a more rigorous approach in the design and drafting of the RTI considering sound regulatory design principles, including:

- Proportionality: the burden of rules and their enforcement should be proportionate to the problems identified and the benefits expected;
- Compliance: it should be practical to comply with the rules;
- Certainty: SPs should have certainty and clarity regarding the applicable obligations; and
- Transparency, accountability and enforcement: the development of rules, their implementation and enforcement should be transparent and based on a robust decision-making framework.

**Article 1.2 (9)** – We hope that the CRA will follow the usual consultation process for any new approach it adopts which is materially different from the RTI already consulted.

**Suggested change** – Vodafone Qatar therefore submits that the CRA take into account the above elements when revising the RTI. We also suggest amending the last line as - “In the event the CRA adopts an approach which is materially different from this RTI, a detailed justification and prior consultation will be followed.”

<sup>1</sup> <http://www.cra.gov.qa/sites/default/files/documents/RA%20Consultation%20Process%20191212.pdf>

## 2 Legal Basis

### 2.1 The Telecommunications Law issued by Decree No. 34, 2006 (“Telecommunications Law”) as amended by Law No. 17 of 2017

10. Articles 4(4) and 4(8) allow the CRA to set and enforce appropriate remedies to prevent SPs from engaging in or continuing anticompetitive practices and empowers the CRA to safeguard the interests of Customers, including setting rules for Tariff regulation.
11. Article 26 empowers the CRA to determine the elements necessary for the provision of Tariff offers, their approval and publication in respect to telecommunications services. The CRA may also set out other rules for regulating prices and Tariffs including the implementation of any program for rate rebalancing or price cap.
12. Article 28 states:  
*“Dominant service providers must submit to the CRA the offers for the tariffs, prices and charges of the telecommunications services in the markets where they have been designated as dominant service providers and obtain the prior approval for them.”*
13. Article 31 states:  
*“The dominant service provider must not apply or change any tariffs, prices or charges or any other consideration that are contrary to the tariffs approved by the CRA. Any agreement or arrangement between the service provider and the Customer to the contrary is prohibited.”*
14. Article 44 states:  
*“Dominant service providers shall offer equivalent terms and quality of service for all customers including tariffs, and the CRA may permit differing terms if such terms are objectively justified based on differences in supply conditions including different costs, traffic volumes, or shortage of available facilities or resources. This prohibition shall also apply between customers who obtain a service for resale to their end customers. The dominant service provider must submit to the CRA sufficient justifications regarding any discrimination and must cease the*

The CRA must exercise its power under Article 11 of the Telecommunications Law to determine the elements necessary for the provisions of tariffs hedged with the condition that it must be exercised consistently with the real intent and purpose of its enabling laws (the Telecommunications Law and the Executive By-Law) which are then reflected duly in its regulations. Therefore, the RTI’s expansion of Article 28, 31 and 44 to non-DSP is ultra vires as it is beyond the scope of the CRA’s duties under the enabling ARF including Article 2 of the Telecommunications Law and Article 4 of the Emiri Decree as well as the dominance-based regime for ex-ante regulation enshrined in the ARF and the principles of good regulatory design. We therefore kindly request the CRA to:

- reflect market realities and the findings of the CRA’s 2016 MDDD;
- withdraw the unrealistic and un-justified proposals on filing (including costs, revenue and methods of composing tariffs), review and approvals for non-DSP, including tenders, bespoke agreements and loyalty programs. The Telecommunications Law is clear that prior filing and approval is only required for the DSP.<sup>2</sup> Similarly, the provision on no undue discrimination applies only on the DSP.
- All other provisions related to non-DSP should be removed with the exception of competitive safeguards such as on-net off-net discounting and no handset subsidies. This includes: non-discrimination, the new ban on geographic pricing, restriction on bundling and discounting.
- address Ooredoo’s continuous super dominance in fixed through detailed ex-ante controls;
- set a robust framework to enable competing investment and competition in fixed;
- provide a targeted and proportionate *ex ante* framework with appropriate guidance in order to minimise regulatory uncertainty;
- provide adequate protection against the risk of re-monopolisation in mobile via convergence.
- Set clear processes with appropriate timeline for enforcement of non-compliance by DSP.

<sup>2</sup> The ARF is very clear that only DSP should file and be approved by the CRA. Article 31 of the Telecommunication Law prohibits any arrangement with any customer contrary to tariffs, prices or charges or any other consideration approved by the General Secretariat (CRA) and Article 55 of the Executive By-Law states that Article 56 (among others) shall apply only to the DSP. Article 56 further states that DSP tariffs are subject to filing and approval by the CRA.

discrimination upon receipt of a notice in this regard from the CRA.”

15. Article 51 (1) states:

*“The service provider must provide the consumer, before the consumer subscribes to the service or before the consumer incurs any commercial obligation to the service provider, with the terms of the service and any other terms and conditions and all tariffs, rates and costs applicable to any telecommunications service.”*

16. Article 51 (2) states:

*“The service provider shall not charge a consumer except the service fee specified to telecommunications or the specified fee for telecommunications equipment ordered by the consumer. The consumer shall not be liable to pay any fee for any service or equipment relating to telecommunications that the consumer has not ordered.”*

## 2.2 The Executive By-Law of 2009 for the Telecommunications Law (“By-Law”)

17. Article 1 defines a Tariff as:

*“any statement of prices, rates, charges or other compensation of any form (including related service descriptions or terms and conditions such as rebates, waivers or discounts) offered by a Service Provider regarding any of its services”.*

18. Article 6 empowers the CRA to take measures, actions and decisions, as it deems appropriate to ensure that Individual Licensees and SPs comply with the provisions of the law, the By-law and the provisions of the Individual Licenses or to remedy their breaches.

19. Article 54 provides that the CRA shall have the authority to review all SP Tariffs, including retail Tariffs, and to determine any requirements regarding Tariffs, their approval and publication, and the CRA may issue regulations or orders to regulate the Tariffs of SPs.

The current proposals of the CRA as they relate to non-DSP go well beyond the ARF, are not proportionate and are ultra vires.

**Article 2.** – Legal Basis – Article 28, 31 and 44 of the Telecommunications Law and Article 56 and 75 of the Executive By-Law stated here all refer **only to the DSP** whilst the CRA insists on imposing these obligations (except pre-approval) on all SPs. In doing the CRA is going beyond its legal remit.

The recent RTI related non-compliance notices issued to both SPs in 2018, exposed the clear lack of understanding of market realities and inability to regulate the retail market by the CRA forcing the non-DSP to deal with a DSP independently without any regulatory protection, monitoring and depriving customers with a fair choice.

We therefore request the CRA to focus their energy and resources in regulating the DSP and request the CRA to develop a practical, achievable and forward looking retail regulation aimed at the DSP that will advance healthy market conditions and ensure the respect of consumer rights.

**Article 2.1 (15)-(16)** – No comments.

**Article 2.2. (17)** – Vodafone Qatar recommends to clarify that services to which the RTI applies are “Telecommunications Services” *when provided on a stand-alone basis or as part of a bundle*. This is in conformance with the practise of the CRA whereby the CRA has stated that it does not approve non-Telecommunications services such as DDOS, TV Content, third party services offered to customer with Postpaid Plans such as Valet parking, airport lounge access etc.

**Recommended Changes:** Vodafone Qatar kindly requests the CRA to remain within the confine of the ARF and accordingly focus the RTI on the DSP. Further, we recommend clarifying the services to which the RTI applies as per the above.

20. Article 56, applicable to DSPs, states:  
*"Tariffs that are subject to filing with and approval by the CRA shall enter into force only after they have been approved by a decision from the CRA."*

21. Article 75 states:  
*"Dominant Service Providers are prohibited from undertaking any activities or actions that abuse their dominant position. In addition to the conduct and activities specifically identified in Article 43 of the Law, the CRA may prohibit any other action or activities engaged in by a Dominant Service Provider that the CRA determines to have the effect or to be likely to have the effect of substantially lessening competition in any telecommunications market."*

### 2.3 Emiri Decree No. (42) of 2014 Establishing the Communications Regulatory Authority ("Emiri Decree")

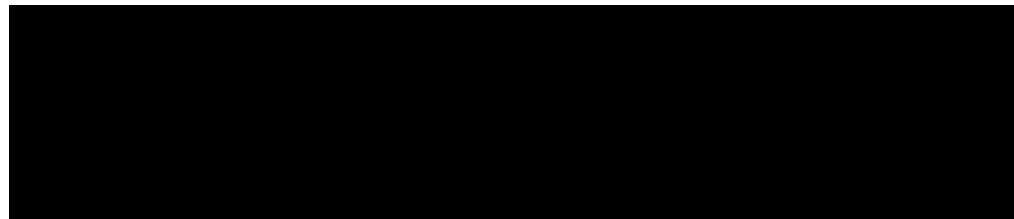
22. Article 4 of the Emiri Decree makes the CRA responsible for regulating the communications information technology and the post sector, as well as access to digital media, with the aim of providing advanced and reliable telecommunication services across the State.
23. Article 4(1) empowers the CRA to set Regulatory frameworks for the communications, information technology, the post sector, and access to digital media, in line with the general policies of the sector and to enable optimum performance.
24. Article 4(2) charges the CRA with actions finalized to encourage competition and prohibit or minimize anti-competitive practices, prevent misuse by any person or entity of its market dominance position, and take all necessary measures to achieve this.
25. Article 4(4) requires the CRA to protect the rights and interests of the public and Service Providers in the market, promote transparency and provide advanced, innovative and quality services at affordable prices to meet the needs of the public.
26. Article 15(2) requires the CRA to develop appropriate Tariff regulations, giving priority to the telecommunications market, or telecommunications services according to market requirements, and determine fees for retail and wholesale.

**Article 2. (20) and (21)** of the By-Law only **applies to the DSP** whilst the CRA insists on imposing the filing obligations on all SPs.

**Article 2.3 – Emiri Decree** – We would also like to insert here sub-clause (2) of Article 4 of the Emiri Decree which states – *"Provide the legal, transparent, organizational and fair environment to construct a **competitive, innovative and investment attractive sector.**"*

The current retail environment is not an investment attractive sector for Vodafone Qatar as Ooredoo continues to offers systematic illegal and un-approved discounts; cross subsidise fixed and mobile as well as offer handset subsidies in both mobile and fixed markets. However, those practices, despite being raised to the CRA, continue to be observed in the market.

**Article 2.3 – Emiri Decree** – Another clause missing here is sub-clause (3) of Article 4 of the Emiri Decree which states – *"Encourage competition, prevents or limit non-competitive practices, **prevent the misuse of any person or entity to his sovereign status in the market** and take the necessary procedures in this regard."* This can be read in conjunction with Article 15 (4) of the Emiri Decree which provides *"[t]o guarantee the necessary measures to prevent any business or activity carried out by the sovereign service providers that **influences or may influence in reducing the competition basically** in any communications markets."*



## 2.4 The Individual Licenses issued to Service Providers

27. Clause 3 of the Individual Licenses authorizes the SPs to provide the specified telecommunications networks and services in accordance with the terms and conditions of the Individual Licenses and its annexures, relevant legislation, international treaties, and any regulations, including instructions issued by the CRA before or after the effective date of the Individual Licenses. Accordingly, the CRA may from time to time issue additional requirements as part of the terms and conditions of the Applicable Regulatory Framework (ARF), which are binding on the SPs.
28. Clause 10<sup>o</sup> of the Individual Licenses provide obligations of the SP to Customers. This includes stipulations regarding compliance, billing, and suspension of Mandatory Service.
29. In addition the Licenses require the SPs to:
  - 29.1 Provide services to the Customers in accordance with terms and conditions that comply with the Applicable Regulatory Framework, including, among other things, the Tariff procedures<sup>o</sup>;
  - 29.2 Comply with all decisions and regulations issued by the CRA including but not limited to those governing pricing and Tariffs<sup>o</sup>;
  - 29.3 Not engage in any anticompetitive practices that prevent, hinder or substantially lessen competition, as stipulated in the Applicable Regulatory Framework, including the provisions of Annexure I of their Licenses<sup>o</sup>.

**Recommended Changes:** Vodafone Qatar therefore submits that sub-clause (2) of Article 4 and sub-clauses (3) and (4) of Article 2.3 should be included in the RTI as these are relevant clauses relating to competition.

**Article 2.4** - Vodafone Qatar submits that the CRA must adopt a consistent position and cannot pick and choose: either the RTI replaces the tariff related provisions of the License (including Annex I, along with the relevant clauses such as Article 3 and 10) or not. As previously explained by the CRA, the current RTI has already repealed and replaced the tariff related provisions of our operating license. Under the draft RTI, the CRA now appears to be selectively retaining certain provisions of the Licence, such as paragraph 8 of Article 1 of Annex D (set out below), to continue in effect while other provisions of the Licence are superseded by the terms of the new RTI.

The Licensee shall ensure that any schemes involving rebates, discounts, waivers or free items which are offered by the Licensee to its Customers or potential Customers are fully disclosed in detail and shall be published and made available for inspection in the same manner set out in Sections 1.4, 1.5 and 1.6. In addition, the Licensee shall ensure that with respect to the application of any discount or promotional schemes offered or granted to any Customers or potential Customers, the Licensee shall not afford any undue preference to, or exercise undue discrimination against, a particular Person or Persons of any class or description. Notwithstanding the above, nothing in this provision shall be interpreted to prevent the Licensee from making offers to particular Customers or Customer groups where there is an objectively justifiable basis for such differential treatment

If the decision is for the new RTI to supersede the relevant provisions of the License then it must do so in entirety. Any other construct creates the potential for ambiguity, confusion and conflict in respect of the proper application and effect of the relevant provisions of the new RTI in the context of the retained License provisions. Combined with the ARF, including the Telecommunications Law, Executive By-Law and Competition Policy, Vodafone Qatar believes that the intention of the ARF was to prevent a DSP from offering differential pricing to customers in a discriminatory manner. That intent should not change. In that context, Vodafone Qatar believes that the implementation of the new RTI provides the opportunity to ensure that the provisions of the Licence are fully aligned with the intent and effect of the ARF.

## 2.5 Summary of the Key Obligations

30. The table below summarizes key obligations of the SPs regarding Tariffs in accordance with the ARF.

Obligation	Source of the Obligation	Applicable to	
		DSPs	Non-DSPs
Non-Discrimination	Law: Article (44) Prohibition of unjustified discrimination	Y	n/a
	By-Law: (-)	(-)	(-)
	Individual Licenses	(-)	(-)
	This RTI (Section 3.7 and 4.1)	Y	Y
Filing of the Tariffs with the CRA	Law: Article (28) Submission of Tariff Offers and Prior Approval	Y	(-)
	By-Law: Article (54) – Authority of the CRA to request filing	Y	Y
	Individual Licenses:	(-)	(-)
	This RTI (Section 3.2 and 4.1)	Y	Y
Approval of CRA before making the Tariffs available to the Customers	Law: Article (28) Submission of Tariff Offers and Prior Approval	Y	N
	By-Law: Article (56)	Y	N
	Individual Licenses:	(-)	(-)
	This RTI (Section 3.3 and 4.2)	Y	n/a
Publication of Tariffs	Law: (-)	(-)	(-)
	By-Law: Article (57)	Y	N
	Individual Licenses	(-)	(-)
	This RTI (Section 3.4)	Y	Y

Y yes  
 N no  
 n/a not applicable  
 (-) not included

Table 1: Key obligations of SPs regarding Tariffs

The **Article 2.5** establishes that the following:

- (i) The Law and By-Law are DSP focused whereas the RTI expands its scope to Non-DSP; and
- (ii) Provisions of non-discrimination; filling; approval and publications are all meant only for the DSP under the ARF.

The publication requirement on non-DSP is clearly outside of the scope of the ARF.

While the CRA may have the authority to request filling under Article 54 of the By-Law, placing such requirement on non-DSP should be fully justified and proportionate.

**Recommended Changes** - We submit that the RTI has over-reached its objectives under the ARF and should be re-adjusted to be restricted to regulating the DSP.



### 3 General Provisions for all Service Providers

31. Except where explicitly stated otherwise, this section sets out provisions for all SPs - both DSPs and non-DSPs.

#### 3.1 Tariffs – General provisions and Taxonomy

32. All retail services<sup>9</sup> must be offered pursuant to a Tariff.  
 33. For the ease of reference, the following Table 2 serves as a summary of the most important Tariff processes.

Type of SP Tariff type	DSP			Non-DSP		
	Standard Tariffs <sup>10</sup>	Below the Line Tariffs	Bespoke Tariffs	Standard Tariffs <sup>11</sup>	Below the Line Tariffs	Bespoke Tariffs
Tariff Filing	Y	n/a	Y	Y	N	Y
Approval	Y	n/a	Y	N	N	N
Publication	Y	n/a	Y	Y	N	Y
Monitoring	Y	n/a	Y	Y	Y	Y
Compliance	Y	n/a	Y	Y	Y	Y

Table 2: Summary of most important Tariff processes

34. The table below displays a taxonomy of Tariffs.

The CRA has moved the obligations on General Terms and Conditions to section 3.6.

Tariff Category	Definition <sup>12</sup>	Examples	Tariff Type
Standard Tariff ("ST")	A Tariff made available by a SP to all Customers (i.e. all business and residential) or groups of Customers (e.g. All business or all residential).  A ST may include a matrix of discounts, where the addressable Customers and the criteria are clearly identified.	Offers available to the general public. The Tariffs are typically split in consumer and business Tariffs. E.g. • Prepaid mobile residential • Postpaid mobile business	<ul style="list-style-type: none"> <li>• Permanent Tariffs</li> <li>• Promotional Tariffs</li> <li>• Loyalty Programs</li> </ul>

**Article 3 (32-33)** - Our position is that the CRA should roll back and de-regulate the competitive markets while maintaining competitive safeguards. Vodafone Qatar believes that the entire RTI should be re-worded as *"Except where explicitly stated, this section sets out provisions for DSP only."* and all provisions should only be applicable to DSPs. We would like to emphasise that the points on transparency and protection of retail customers are already enshrined in the Consumer Protection Policy issued in January 2014 ("CPP"), which the CRA has indicated will be subject to a refresh in 2018.

**Recommended Changes:** Vodafone Qatar therefore submits that the table be revised as per the below:

Type of SP	DSP				Non-DSP			
	GTC	Std. Tariff	BLTL	Bespoke Tariffs	GTC	Standard Tariff	BLTL	Bespoke Tariffs
Tariff Filling	Y	Y	N/A	Y (Quarterly)	N	N	N	N
Approval	Y	Y	N/A	Y	N	N	N	N
Publication	Y	Y	N/A	N	Y	Y	N	N
Monitoring	Y	Y	N/A	Y	Y	Y	Y	Y
Compliance	Y	Y	N/A	Y	Y	Y	Y	Y

Vodafone Qatar submits that consumers related provisions such as general T&C are best dealt under the CPP by the Consumer Affairs Department to avoid overlap, miss-alignment and unnecessary duplication. We further note that consumer related issues are swiftly dealt with by the relevant department of the CRA.

By focussing on the DSP, the RTI will enable the CRA to focus its limited resources on more important matters and ensure a timely resolution of breaches of the RTI by the DSP. It is regrettable that it took over one year and two months for the CRA to take actions against a material breach of the RTI by the DSP in a high priority areas identified by the CRA and the Government. Vodafone Qatar's proposal is to bring the RTI in line with the ARF and require only the DSP to file and get its tariff approved by the CRA.

Below the Line Tariff ("BTLT")	A Promotional Tariff, made available by a non-DSP <sup>13</sup> to a specific Customer or group of Customers (and not accessible to all Customers). A BTLT must be of negligible value and therefore by its nature does not adversely affect competition. BTLTs are also called "customer value management" offers. For any Relevant Market, in any month, non-DSPs can offer BTLT lower or equal to 2% of the total monthly revenues of the Relevant Market	"call to India for QAR 0.10 if you pay QAR 1 per week extra" "get QAR 10 top-up bonus if you top up with QAR 200 or more"	• Promotional Tariffs
Bespoke Tariff ("BT")	A Permanent Tariff made available by a SP to a specific Customer or group of Customers (and not accessible to all Customers)	• A mobile call plan for employees of a certain organization • A service for special projects/tenders	• Permanent Tariff

Table 3: Taxonomy of Tariffs

**BTLT** - As mentioned in our previous response, we again reiterate our position that there should not be any restrictions based on the percentage of monthly revenue by relevant market for BTLT. During the industry workshop on 19 July 2018 the CRA could not provide any justification for having included this restriction. The CRA should encourage Customer Value Management type customised offers which have many advantages as it can provide an in-depth understanding of the behaviour and needs of customers based on a carefully tailored analysis of each individual. There are no other countries which currently place a limitation on CVM based on % of revenue and subscriber base. We hence strongly believe that there should not be any restriction on BTLT at all and instead the focus of the CRA should be on transparency and consumer benefits. The BTLT offers can be modified to allow customers to opt out of BTLT offers. BTLT offers are provided above and beyond the plans and tariffs customers are on. They are designed to provide additional value, encourage usage and in doing so help monetise investment.

**Recommended Changes:** Vodafone Qatar therefore submits that the restriction on BTLT should be removed. If the CRA is adamant to have an ex-ante regulation for BTLT offers then we suggest retaining the earlier language in the CD#1 and increasing the percentage to 10% for uptake of a single campaign/offer in the Relevant Market.

**Bespoke Tariff** is a very broad term. It includes tenders, managed services with partners and all non-standard offers. Vodafone Qatar would like to put on record that we cannot disclose tenders which have strict confidentiality restrictions especially in government tenders (more than 80% of the tenders in Qatar are Government tenders) which will automatically disqualify us. The CRA has yet to explain the merit of requiring publication of a bespoke tariffs non-DSP, i.e. a tariff which may apply to only one customer. The proposal of the CRA is not proportionate, unpractical and will generate non-compliance.

**Recommended Changes:** Vodafone Qatar therefore submits that as mandated by the Telecommunications Law, all tariffs of only DSP should be pre-approved by CRA and bespoke tariffs be removed for non-DSP.



### 3.2 Tariffs - Filing

35. The SP must file with the CRA all and any Tariffs as per Table 4 below

Tariff Category	Types of Tariffs	Filing obligation	
		DSP	Non-DSP
Standard Tariffs ("ST")	Permanent Tariffs	Y	Y
	Promotional Tariffs	Y	Y
	Loyalty Programs	Y	Y
Below the Line Tariffs ("BTLT") <sup>14</sup>	Promotional Tariffs	(n/a)	N
Bespoke Tariffs ("BT")	Permanent Tariffs	Y	Y

Table 4: Tariffs to be filed with the CRA

36. For the avoidance of doubt, a Tariff Filing must be made for e.g. the following cases:

- 36.1 New Tariffs and changes thereof, as e.g. price increases;
  - 36.2 Withdrawal of Tariffs;
  - 36.3 All framework agreements, discount schemes, bonus schemes and loyalty programs and any changes thereof;
  - 36.4 Bespoke Tariffs, including those offered within Tenders<sup>15</sup>, such as project business or any changes thereof;
  - 36.5 The Tariffs for services rendered to Customers when outside of Qatar (e.g. roaming and calling cards).
37. The SP must submit a Tariff Filing consisting of:
- 37.1 The Tariff Document, as per the template set out in Annex III Tariff Document - Template;
  - 37.2 Where applicable, the Tariff Document must include a description of the specific criteria that qualifies a Customer or group of Customers for a specific Tariff or discount (refer to Sections 3.7 and 3.8);
  - 37.3 All other information specifically required as per this RTI.
38. SP must ensure that a Tariff Document:
- 38.1 Is submitted in PDF and Word format;
  - 38.2 Is written in plain language and easily understood by a typical Customer;
  - 38.3 Contains and fully discloses in detail:

**Article 3.2 (35)** - The CRA proposes filing and approval of almost all tariffs including tenders, bespoke contracts and maintaining registers for BTLT offers but offers no rationale as to why this is justified and proportionate as an obligation in markets deemed competitive and which problem this is supposed to address and the legal basis for such obligation.

As mentioned, if we were to file all the tariffs, provide all the information sought including objective justification we will need to recruit more personnel and we will need a reasonable grace period. Further, we remain unclear about the "objective justification" requirement of the CRA and will need guidance from the CRA.

In our view it would be proportionate and justified from a consumer protection perspective to require non-DSP to publish their Standard Tariffs related to permanent or promotional offers on their official website in accordance with their obligations to customers under the CPP. Publication should be on the day of commercial launch or on effective date of tariff in a customer friendly format.

Filing requirements for the DSP are set in the Telecommunications Law and are adequately reflected in the CRA Table

Vodafone Qatar has undertaken a benchmarking exercise of retail regulation and we note that in relation to markets deemed competitive, the approach is consistent with the direction we have outlined above, namely to maintain provisions related to consumer protection. We have not come across countries in Europe where non-DSP operators are subject to a full raft of rules such as:

- imposing a blanket non-discrimination requirement and to ban geographic and other innovative pricing approach which deliver customer benefits and help investment by increasing demand; and
- requirement to notify tenders as no country in the world expects tenders to be notified to their regulator for the obvious reasons of confidentiality (single as well as multiple parties), highly competitive negotiations and the bespoke nature of the transaction.

The CRA's new filing and approval proposals in markets deemed competitive will give rise to significant and unjustified administrative burden on the CRA and SPs. It will generate additional cost, increase time to market for services and hinder service innovation. As such the proposals of the CRA go against the objective of assigned to the CRA under the Telecommunications Law and in particular Article (2)2 on enhancing the performance of the sector and Article (2)3 on supporting the introduction of advanced and innovative services. We will have to hire personnel to be able to comply with the reporting and notification requirements. We also believe that the

- (a) All terms and conditions of the Retail Offer
  - (b) All products and services associated with the Retail Offer;
  - (c) The period of the Tariff;
  - (d) Whether the Retail Offer is a promotional or permanent offering;
  - (e) All applicable prices (and the units to which they apply, rounding practices, use of (billing) increments, and any schemes involving promotions, rebates, discounts, waivers or free items;
  - (f) The period for which the included bundle (e.g. minutes/messages/data allowance ) remains valid, i.e. a monthly package of 10 min for 1 QAR per month must specify whether the 10 minutes will expire after one month, roll over to the second, third etc. month and then expire or continue rolling over as long as the Retail Customer subscribes to the plan;
  - (g) The minimum commitment periods and any cancellation policies;
  - (h) Any other special considerations or other elements of the Retail Offer that are material to the service provided and the consideration to be paid; and
  - (i) Any charges for equipment not subject to Tariff control but which are included as part of the service offered (e.g. additional broadband router).
- 38.4 Where required, all calculations and explanatory documents must be submitted with the Tariff Filing. All calculations must be in Excel format and well documented.
39. For modifications/changes to existing Tariffs, the SP must submit the Tariff Document in Track Change Mode.
40. All Tariff Filings must be sent to the mail group [tariffs@cra.gov.qa](mailto:tariffs@cra.gov.qa).
41. Failure to comply with the Tariff Filing requirements may result in the CRA not approving the Tariff proposed by the SP.

CRA does not have the ability to comment on or approve all Tariffs within 10 days as we have noticed that it has taken the CRA one year and two months to adjudicate our fixed complaint which was a clear cut case with a breach admitted by Ooredoo. We believe that a better approach is to focus the limited resources of the CRA and SPs on high impact areas in line with international best practice. This can be done by re-focussing the RTI on DSP. The provisions of the RTI as they relate to non-DSP are not justified and will have a negative impact on consumers by increasing time to market, preventing innovative pricing strategies based on geo-marketing data and user experience. Dynamic pricing based on insights from consumers' preferences and behaviour is the norm in numerous industries, such as airlines. Vodafone Qatar cannot comprehend why the CRA wants to impose barriers to such practices which it should to the contrary encourage in line with industry trends and its mandate under Articles 2(2), 2(3) and 2(4) of the Telecommunications Law.

**Recommended Changes:** Vodafone Qatar therefore submits that filling requirement for non-DSP should be removed. If filling requirements for non-DSPs are maintained, it should be specified here that it should be done on the day of commercial launch as per current practise.

### 3.3 Tariffs – Review and Approval

42. Explicit pre-approval by the CRA is required as per the Table 5 below. For the avoidance of doubt, this includes new Tariffs, modifications/changes to existing Tariffs and withdrawal of Tariffs.

Tariff Category	Types of Tariffs	Explicit pre-approval required by the CRA	
		DSP	Non-DSP
Standard Tariffs	Permanent Tariffs	Y	N
	Promotional Tariffs	Y	N
	Loyalty Program	Y	N
Below the Line Tariffs	Promotional Tariffs	(n/a)	N
Bespoke Tariffs	Permanent Tariffs	Y	N

Table 5: Tariffs requiring explicit approval by the CRA

43. More specifics of the review and/or approval process are detailed in Section 4.2 below for DSPs and in Section 5.1 below for Non-DSPs.
44. In general, the communication from the CRA will be by normal letter.
45. In case a SP is uncertain regarding the contents of a Tariff Filing, e.g. a cost justification, criteria for offering a discount to a Customer or group of Customers, or substantive explanation, the CRA welcomes a meeting prior to the Tariff Filing in order to ease the process.
46. In case of repeated breaches of the RTI, the CRA may oblige a non-DSP to have its Tariffs pre-approved by the CRA or may oblige a non-DSP to cease offering BTLT.

Overall we agree with the approval requirements – they are as per the Telecommunications Law.

**Article 3.3 (42)** – As per the CCP, all services offered including Loyalty Program must have clear T&C and criteria on how to earn loyalty points. Unless these Loyalty Points are being bundled with telecommunications services or given as incentive to port/take new service we believe that the Loyalty Program should not be included in Tariff category. However, we agree with the CRA that some form of oversight is required and at this stage and recommend that they be notified to the CRA. We would also like to highlight that Vodafone Qatar has never received the CRA’s previous Orders and communications referred here which was sent to Ooredoo only. For sake of transparency and clarity we reiterate our request for the CRA to share these with us.

**Article 3.3 (44)** – Currently all communications between CRA and SP’s are sent by emails or formal letter/response on consultation attached via emails.

**Recommended Changes:** Vodafone Qatar therefore submits that the Article 44 be revised as “normal letter sent via official email”.

**Article 3.3 (45)** - As market promotions are time sensitive and currently there are no certainty on CRA’s response time lines, we propose adding timelines wherever possible to make the process fair and transparent.

**Recommended Changes:** Vodafone Qatar therefore submits that this provision also has a timeline similar to the 10 days approval process in Article 5 (100) below.

**Article 3.3 (46)** - We are surprised that the CRA has added additional enforcement threat only against non-DSP such as ceasing BTLT and getting Tariffs pre-approved. We are also concerned with the lack of qualification such as “material” breaches. It seems that the focus of the CRA is more on non-DSP instead of DSP which we find very unusual, out of step with the ARF and clearly disproportionate. In any case the CRA will be required to consult the industry prior to modifying the scope of the RTI. This is all the more surprising when the DSP has been found in breach of the ARF for competition impacting issues such as delaying and frustrating for many years duct access, FNP, refusing to comply with CRA orders related to the introduction of bitstream and leased lines, for false and misleading advertisement, illegal discounts in fixed enterprise markets to name just a few. However, they have been no consequences in terms of penalties, fines or public prosecution for these breaches.

**Recommended Changes:** Vodafone Qatar therefore submits that 3.3 (46) should be deleted and that further enforcement on DSP such as “Publish non-compliance on CRA website; impose penalty or performance bonds for non-compliance by DSP; pursuant to Article 76 of the By-Law

the CRA to issue an order requiring the DSP to divest itself of some lines of business if it deems that the DSP is abusing its dominant position or carrying out anti-competitive practices and bring civil proceedings to enforce compliance” should be added.

### 3.4 Tariffs – Publication

47. The following Tariffs must be published by the SP as per Table 6 below. This includes new Tariffs, modifications/changes to existing Tariffs and withdrawal of Tariffs.

Tariff Category	Types of Tariffs	Tariff publication	
		DSP	Non-DSP
Standard Tariffs (“ST”)	Permanent Tariffs	Y	Y
	Promotional Tariffs	Y	Y
	Loyalty Program	Y	Y
Below the Line Tariffs (“BTLT”)	Promotional Tariffs	(n/a)	N
Bespoke Tariffs (“BT”)	Permanent Tariffs	Y	Y

Table 6: Tariffs which must be published by the SP

48. For all post-paid Customers, the SP must state clearly on the first page of their bill/invoice: The CRA may move this item to the forthcoming CPP

48.1 For DSPs:

*The underlying Tariff has been explicitly approved by the Communications Regulatory Authority on //date//. The underlying regulatory Tariff Document //Tariff Number and name// can be found on //insert web link to the regulatory page of the SP//.*

48.2 For non-DSPs:

*The underlying Tariff has been filed with the Communications Regulatory Authority on //date//. The underlying regulatory Tariff Document //Tariff Number and name// can be found on //insert web link to the regulatory page of the SP//.*

**Article 3.4 (47)** - Vodafone Qatar recommends that based on the ARF the table should be as below:

**Recommended Changes** (see justification above):

Tariff Category	Types of tariff	Tariff publication	
		DSP	Non-DSP
Standard tariff	Permanent/promotional and Loyalty Program	Y	Y
BTLT	Promotional Tariff	Y	N
Bespoke tariff	Permanent Tariff	Y	N

**Article 48:** The CRA has provided no rational or justification for this requirement which is wholly impractical and will generate non-compliances. The requirement to include on bills such statement is impractical as bill templates are not real time and cannot capture the different packages the customers may be on at different times. Our billing system cannot handle this and this will also be very confusing for the customers.

**Recommended Changes:** Vodafone Qatar therefore suggests the following – “Tariffs are monitored by the CRA and VQ tariffs are available at <https://www.vodafone.qa/en/legal-and-regulatory/tariff-documents>”

**Bespoke Tariff** is a very broad term. It includes tenders, managed services with partners and all non-standard offers. Vodafone Qatar would like to put on record that we cannot disclose tenders by publishing them which have strict confidentiality restrictions especially in government tenders (more than 80% of the tenders in Qatar which will automatically disqualify us. The CRA has yet to explain the merit of requiring publication of bespoke tariffs of non-DSP, e.g. a tariff which may apply to only one customer. The proposal of the CRA is not proportionate, is

	<p>impractical and will generate non-compliance.</p> <p><b>Suggested changed:</b> Vodafone Qatar therefore submits that bespoke tariffs publication be removed for non-DSP.</p>
<p><b>3.5 Promotional Offers</b></p> <p>49. SPs must:</p> <p>49.1 Limit promotions to a maximum of three months;</p> <p>49.2 Ensure that Promotional Offers do not tie or lock-in Customers to long-term contracts...</p> <p>50. SPs must not repeat promotions for the same Tariff until 6 months after the initial promotion has expired. This applies to the underlying Tariff item or items that is/are subject to the initial promotion (i.e. at destination level, mobile data or connection charge).</p> <p>51. Overlapping promotions, i.e. where a Tariff item is affected (reduced) more than once due to the effect of a promotion, are not permissible.</p>	<p><b>Article 3.5</b> - Customers sometimes are attracted to certain popular offers and request for its extension. We are fully cognisant of the CRA's view that there should be a framework in place around promotion to avoid frequent repetition of promotions. We believe that allowing the extension of promotions once would constitute a reasonable approach before they are deemed permanent offers in the market.</p> <p><b>Recommended Changes:</b> Vodafone Qatar therefore submits that promotions be allowed to be extended once by prior notification before expiry of the original promotion for another three months. We have seen that customers request some offers to be extended. We believe non-DSP should be allowed to offer up to six (6) months promotional offers.</p>

### 3.6 General Terms and Conditions (“GT&C”)

The CRA may move this section to the forthcoming

52. General Terms & Conditions are the terms and conditions applicable for a group of Tariffs. These are typically set for Residential and Business Customers like “General Terms and Conditions for Consumer Services” or “Master Services Agreement for Business.
53. New GT&C and modifications/changes to existing GT&C must be:
- 53.1 Filed with the CRA for pre-approval by sending it to [tariffs@cra.gov.qa](mailto:tariffs@cra.gov.qa):
- (a) The CRA will have 10 working days to (a) approve or (b) object to the GT&C or (c) extend the period for review;
  - (b) If the CRA decides to extend the 10 working day review period it shall notify the SP in writing and shall specify the concerns, procedures and timetable for the extended GT&C review, including any consultation or other relevant process with respect thereto, in accordance with the ARF or as determined by the CRA;
  - (c) Within the 10-working day review period, the CRA may also request in writing further information from the SP in relation to the GT&C. A request for further information, including meetings to discuss the GT&C, will stop the 10-working day countdown. The 10-working day countdown will start with day 1 once the additional information has been received by the CRA in its complete form as requested by the CRA;
  - (d) If a request from information from the CRA contains a response deadline, any request for an extension of this deadline by a SP must be accompanied by a convincing justification and filed at least five (5) working days before the expiry of the original deadline.
54. The approval of the proposed GT&C will be communicated in writing to the SP.
- 54.1 Once approved, the GT&C must be published on the SP’s website in an easy-to-find location.
55. The GT&C must be written in plain language, clear, legible and easily understood by a typical Customer.
56. A GT&C approval will be considered void if the GT&C are not introduced in the market within 3 months from the approval date. A new GT&C filing will be required after this period.
57. The SP must ensure that new GT&C or changes thereof are successfully communicated to affected Customers in compliance with the terms included in the Customer Protection Policy.

**General Comment** - There is a yellow box which states that this item may be moved to the forthcoming CCP. Can the CRA confirm the interim process as the forthcoming CPP has not even been shared for consultation yet and the email still states [tariff@cra.gov.qa](mailto:tariff@cra.gov.qa) instead of Consumer Affairs?

**Recommended Changes:** Vodafone Qatar submits that this yellow box be removed from the RTI.

**Article 3.6 (52)** - No comments.

**Article 3.6 (53)(d)** We advised against overly prescriptive processes by the CRA. It is in the interest of the SP to submit any information in a timely manner.

**Recommended Changes:** Vodafone Qatar therefore submits that this clause be reworded as “any reasonable request for extension shall be acknowledged by the CRA to be valid.”

**Article 3.6 (54)** – If the approval is not received in writing within 10 working days will the GTC be deemed approved? Does working day exclude national holidays such as EID? If yes, then the approval can be delayed over 25 days. Uncertainty and lack of clarity regarding process should be addressed.

**Recommended Changes:** Vodafone Qatar therefore submits that 10 working days should exclude national holidays so that there are no unnecessarily long delays in CRA approval.

**Article 3.6 (55)** – For consumer GTC we agree that the language must be plain language and easily understood but for Business Customers this should not be a requirement as the Master Services Agreement has many legally binding provisions which may not be simple.

**Recommended Changes:** Vodafone Qatar therefore submits that 3.6 (55) exclude Enterprise customers.

**Article 3.6 (56)** – No comment.

**Article 3.6 (57)** - It would be prudent to refer to the exact Article of the CCP being cross referenced here to avoid ambiguity.

**Recommended Changes:** Vodafone Qatar therefore submits that the CCP provisions be referenced here.

### 3.7 Non-Discrimination

58. A SP shall not afford any undue preference to, or exercise undue discrimination against, a particular Customer or a group of Customers of any class or description.
59. This means that any Tariff or discount must be available to all Customers or groups of Customers meeting the qualifying criteria as specified in the Tariff Document.
60. In particular when offering a Tariff to a particular Customer or group of Customers:
  - 60.1 The Tariff must be filed with the CRA in a Tariff Filing;
  - 60.2 The Tariff Document must contain a description of the specific criteria that qualifies a Customer or group of Customers to receive the Tariff;
  - 60.3 The Tariff Document associated with the Tariff must be published as per the requirements of this RTI.
61. In addition, a DSP shall also submit sufficient justifications regarding any discrimination and must cease the discrimination upon receipt of a notice in this regard from the CRA (ref. section 4.1 and 4.2).

**Article 3.7** - Vodafone Qatar's position on non-discrimination is that the **non-discrimination obligations should apply solely for DSPs**, as per Article 44 of the Telecommunications Law. Either the RTI replaces the License in the Annex and all clauses relating to the RTI or it does not. It cannot replace parts of the License. The position of the CRA to impose a non-discrimination requirement on non-DSPs is not justified in light of the dominance findings of the CRA. Discriminatory pricing and discounting is a feature of competitive markets and modern commercial practices such as yield management and pricing based on consumers' insights. Article (44) of the **Telecommunications Law** prohibits any unjustified discrimination **by the DSP only**; whereas Article 51 requires the SPs to provide the consumer with the terms of the service, any other terms and conditions and all tariffs, rates and costs applicable to any telecommunications service. The wording and spirit of the Telecommunication Law is to clearly disallow any unjustified discrimination by the DSP and ensure that the non DSP comply with the consumer related provisions only. Further, the Annexure D of the Mobile License which required the Licensee not to afford any unjustified undue preference or exercise undue discrimination against a particular person or persons has, as explained by the CRA, already been repealed and replaced by the RTI. Hence the CRA is able adjust the RTI and remove the non-discrimination requirement on non-DSP of the RTI.

The current approach of the CRA will hinder the commercial strategies of the operators which are designed to enhance consumer welfare by increasing demand. CRA's approach would be tantamount to asking Qatar Airways to justify each and every price points. This is not realistic and amounts to micro-management. The CRA has determined that some markets are competitive and hence that market forces, combined with ex-post provisions, are sufficient to address any competition problems. The design of the RTI must be consistent with the conclusions reached by the CRA. The CRA must ensure that the obligations are proportionate and justified.

The proposal of the CRA is also out of step with international practice. None of the countries in the European Union place such an obligation combined with filing and publications requirements on non-DSP. However, if the CRA, despite the arguments put forward by the industry wishes to include in the RTI an obligation to not discriminate then, Vodafone Qatar's comments are:

- Reference should be made to no "undue discrimination" in line with the wording of the Telecommunications Law;
- The CRA should prioritise practices of the DSP and not of the non-DSP. We note that it took the CRA 13 months to issue a non-compliance notice to Ooredoo for serious, clear-cut and multiple breaches of the ARF (launch of unapproved tariffs, discriminatory and selective discounts etc) regarding fixed enterprise services which hindered the development of the



sector. However, it took only five months to the CRA to issue to Vodafone Qatar a similar instrument for much more benign pricing practices which were introduced to respond to the illegal offers of Ooredoo.

- We agree with the CRA that only the DSP should be required to provide justification.

**Recommended Changes:** Align non-discrimination requirements to the Telecommunications Law by making reference to undue discrimination and solely to DSP.

### 3.8 Discounts

62. SPs may offer discounts to any market sector in Qatar<sup>16</sup>.

63. In all instances, the maximum permissible discount that may be offered by a SP for telecommunications services is twenty per cent (20%) of the approved Standard Tariff.

This limit is based on CRA understanding of the profitability of the SPs. With this limit the CRA is of the view that proposed prices 1) proposed prices will not be below costs 2) proposed prices will be replicable by the competitors 3) SPs could move towards efficient headline prices. To be more competitive with discounts, SPs are always welcome to lower their headline prices. This will benefit all customers and not only those with a high(er) bargaining power.

64. In addition, a DSP shall also submit sufficient justifications regarding the discounts and must cease them upon receipt of an Order in this regard from the CRA (ref. section 4.1 and 4.2).

#### 3.8.1 Discounts to a particular Customer or Group of Customers

65. When offering discounts a SP shall not afford any undue preference to, or exercise undue discrimination, a particular Customer or a group of Customers of any class or description

66. This means that any specific Tariff or discount must be available to all Customers or groups of Customers meeting the qualifying criteria as specified in the Tariff Document.

67. When offering a discount to a particular Customer or group of Customers, the provisions on non-discrimination apply (ref. section 3.7 above).

#### 3.8.2 Illegal Discounts

68. Any discounts not filed with the CRA shall be deemed as an **Illegal Discount** and must be phased out by the SP.

69. For Illegal Discounts existing in the market at the date of the issuance of this RTI, in order to not unduly disadvantage the Customers, the Customer may benefit from the contract until its expiration date, but not longer than 12 months from the issuance of this RTI.

70. The Illegal Discount cannot be renewed, and the Customer must be migrated to the relevant Tariffs approved by/filed with the CRA.

**Article 3.8** - Vodafone Qatar's position is that only DSP should be subject to any discounting restrictions. This is as per the Telecommunications Law and the principles which underpins it, namely to focus regulation where there is a market failure / dominance. However, if the CRA, despite the arguments put forward by the industry wishes to include in the RTI specific rules on discounts for both DSP and non-DSPs, then, Vodafone Qatar's comments are:

- We agree with the proposal of the CRA to have a maximum permissible discount percentage which by virtue of its magnitude is deemed not to undue discriminate and does not require any justification by non-DSPs. In that regards we welcome the change of approach of the CRA in the second consultation document as requiring an objective justification for each and every discount for services provided by a non-DSP and/or in competitive market would have been extremely cumbersome and neither justified nor necessary.
- We consider that the non-DSP should be able to apply a discount of a greater magnitude than the DSP based on the principle of proportionality and fairness. As a non-DSP, Vodafone Qatar considers that we should be able to offer discounts up to 20% and the DSP up to 15% maximum of the standard tariff. This is to mitigate the incumbency advantages of the DSP which still control 95% of the fixed market. To attract customers, Vodafone Qatar needs to be able to offer steeper discounts.
- The CRA should monitor very closely the pricing of the DSP to avoid the selective and anti-competitive discounting of the DSP which have plagued the market. The regulatory failure whereby the DSP applied unapproved discounts in fixed markets for years must not repeat itself.
- Regarding 3.8.1, we understand the provision to mean that specific tariffs for particular customer or group of customers can be defined by non-DSPs without specific justification but that the maximum discount that can be offered on such tariff is 20%. For example, assuming we have a standard plan available to the general public, we will be able to



	<p>introduce a special plan for say, elderly people, consisting of the same services as the standard plan but say with a price half of the standard plan. As per the new RTI, it will suffice that we define clearly the qualifying criteria. For the "elderly plan", there will then be the possibility to offer discount of up to 20% of the standard price for the plan. We believe that this approach is reasonable for non-DSP. However, in the case of DSP, an objective justification will be required and approval required to ensure notably that the tariff is not anti-competitive and above cost.</p> <ul style="list-style-type: none"> <li>• Regarding Article 3.8.2 we submit that the illegal discount should be phased out in 6 months' maximum. The illegal discount of the DSP has been on-going for many years and should be phased out faster.</li> </ul> <p><b>Recommended change:</b> Vodafone Qatar therefore submits that restrictions to discounting should be removed for non-DSP. If this is not acceptable by the CRA, we submit that that the CRA should allow non-DSP to offer discount up to 20% while capping discount level to 15% for DSP.</p>
<p><b>3.9 Minimum Service Period, Commitment period and Cancellation Policy</b></p> <p>71. SPs are subject to the Minimum Service Period of no longer than three months, unless a sufficient justification is provided in a Tariff Filing demonstrating the need for a longer Minimum Service Period.</p> <p>72. In the event a Retail Customer wishes to cancel the subscribed service within the Minimum Service Period, SPs are entitled to collect the remaining fixed monthly charges of their Minimum Service Period. This clause does not apply if the SP changes the terms and conditions of a contract and, as a consequence, the Customer wishes to cancel the service whilst in the Minimum Service Period.</p> <p>73. SPs must not provide any additional benefit (i.e. devices for free, rebates, etc.) for an extended contract period and Customers must be entitled to terminate their service without any penalty/payment after their Minimum Service Period is complete.</p>	<p><b>Article 3.9 (71):</b></p> <p><b>For Mobile:</b> We recommend that the Minimum Service Period be increased to twelve months (12) or at least (six (6) months for Postpaid consumers, so that SPs can offer to customer better value and loyalty benefits from Postpaid Plans. We base this on customer behaviour where we find that most Postpaid customers do not switch or change their Postpaid lines like Prepaid customers before six to eight months. For non-telecommunications services like ETR/special number, loyalty programme and handsets only T&amp;C should be excluded from this restriction.</p> <p><b>For fixed:</b> (a) Residential: current approach applicable to Ooredoo (12 months minimum service period) should be reflected in the RTI and extended to Vodafone Qatar; (b) non-DSP fixed business customers where there is a capex investment, the minimum period should be allowed to be one to three years depending on the quantum of investment, payback period and other objective justification to be provided on an ex-post basis.</p> <p>If a customer is leaving the country we can exclude this as an exceptional criterion.</p> <p>Additional benefit referred to at Paragraph 73 should be limited to non-telecommunications benefits in so far as there is no penalty/payment after the Minimum Service Period is complete.</p> <p><b>Recommended Changes:</b> Vodafone Qatar therefore submits that the CRA increase the minimum service period to 12 months for mobile and fixed residential. For non-DSP fixed enterprise customers, allow minimum services period of one, two, and three years. Any additional</p>

benefit to the customer should be limited to non-telecommunications services.

### 3.10 Minimum Validity Period of Credit

74. SPs must ensure the Minimum Validity of credit as follows:

The CRA may move this section to the forthcoming Consumer Protection Policy

Credit	Duration	Explanation
Less than or equal to QAR 10	30 calendar days or longer	Including, but not limited to, pre-paid products vouchers, top up credit.
Standard credit validity	6 months or longer	

Our previous comments to CD#1 were ignored and reproduced below –

**Article 3.10 (74)** - We do not have any objection to the minimum validity period of **credit on recharge or top up** however we believe that this should exclude subscription services like mobile Internet packs or Add ons/boosters which, due to industry trend and current practise, have validity period ranging from 1 day to 6 weeks for both operators. **Also we need clarity what the CRA means by “vouchers”.**

**Recommended Changes:** Vodafone Qatar suggests clarifying here that Minimum validity period applies to credit on recharge or top-up and excludes Data products or Extras.

### 3.11 On-Net/Off-Net Pricing Differentials

75. SPs must not apply any on-net/off-net price differentiation, unless objectively justified and approved by the CRA. This means that a unit of service, which includes voice and video calls, SMS, MMS and other services, made from the SP network to another SP's network must be charged at the same amount as a unit of service inside the SP's network. This also means that if units of service (e.g. call minutes) are included in a permanent bundle, these units of service must be available on-net and off-net.

Our previous comments to CD#1 were ignored and are reproduced below –

**Article 3.10 (75)** We agree with the CRA that this competitive safeguard should be maintained to avoid the network effects and the market tipping in favour of the largest operator. Competition in mobile has delivered strong outcomes for consumers and it needs to be nurtured. The restriction on on-net / off-net differentiation should therefore be retained and applied to fixed and mobile. However, Closed User group (“CUG”) in Enterprise Tariffs were expressively approved by the Retail Tariff team on 2 September 2009 and has been part of our Tariff Notification ever since. Kindly refer to Article 2.3 of the latest version of our permanent Enterprise Tariff Notification dated 3 September 2018. Friends and Family calling in Consumer Tariffs are an established market feature and should continue to be excluded. Although our current plans do not have them currently, we have had these in the past and some customers on legacy plans continue to have this feature. We believe the CRA can restrict this to up to 2 numbers only.

**Recommended Changes:** Vodafone Qatar therefore suggests that CUG be excluded as per its own approval and Friends and family for up to 2 numbers also should be made as exception for consumers.

### 3.12 Handsets and Customer Premise Equipment (“CPE”)

#### 3.12.1 Handset Subsidy and SIM Locking

76. SPs shall not subsidize devices or engage in “SIM locking”. SPs are free to sell devices on an instalment or amortized basis and unbundled from telecommunications services. This can be achieved by e.g. a separate contract being taken out for a device and paid for in periodic arrears. This contract must not be bundled with the underlying telecommunication service. SPs are therefore not permitted to:

- 76.1 Subsidize any mobile device;
- 76.2 “Lock” a device so that it can only be used with the SP’s own SIM cards.

#### 3.12.2 Network Specific CPE Subsidies

77. SPs may provide equipment necessary for the provision of services (as an integral part of the service) and which are not available in the open market without a separate charge. This would typically include devices such as an Optical Network Terminal for fiber broadband.

#### 3.12.3 Non-Network Specific CPE

78. SPs must include the price of any CPE in a Tariff that is provided to Customers free of charge, but which may be charged for if the Retail Customer cancels within the minimum service period and fails to return the CPE.

**Article 3.12** Vodafone Qatar fully support the handset subsidy and the SIM only concept. However, please see our comments above on Article 1.1 above regarding providing handset subsidy through premium/ preferred partners.

**Recommended Changes:** Vodafone Qatar therefore suggests that the CRA mentions clearly here that handset sale cannot be combined with any telecommunication services offered by any third party in Qatar.

### 3.13 Easy To Remember Numbers

79. SPs are entitled to charge “easy to remember” (ETR) / “premium numbers” on condition that all charges will go entirely to charities / Corporate Social Responsibility (CSR) purposes.

The CRA may move this section to the forthcoming National Numbering Plan.

The SPs must maintain a record of this at all times for audit purposes by the CRA.

**Article 3.13** - Why do ETR need to be regulated? **ETRs are not notified or can be considered as tariffs?** Further, the CRA must be aware of the peculiar fascination for ETR numbers in Qatar which is equated with prestige and ability to own expensive numbers. Whilst we do hold special auctions for charity and most ETR revenue is used for CSR purposes, Vodafone Qatar believes that non- telecommunications (non-tariff) services such as ETR should be excluded from the RTI. SPs should be allowed to deal with the ETRs as they see fit after paying the requisite number fees as per the National Numbering Plan. We are in particular not in favour of any audit by the CRA which we believe should focus on anti-competitive and consumer protection elements instead.

**Recommended Changes:** Vodafone Qatar therefore suggests removal of this clause from the RTI.

### 3.14 Geographic Differentiation of Charges

- 80. Unless specifically approved by the CRA, SPs must provide uniform pricing within Qatar.
- 81. For the avoidance of doubt, this includes Promotional Offers and potential “cell based charging”.

**Article 3.14** The CRA has provided no rationale for this blanket ban applying to all SPs. Our position is that the obligation to offer uniform pricing all over Qatar should **apply only to the DSP**. It is necessary to prevent selective and anti-competitive price cut in particular geographies where competition is emerging and to ensure that the effect of competition, albeit on a limited geographic basis, benefit all customers. In competitive markets, a ban on geographic differentiation is against consumer benefits and market trends. Innovative pricing can help monetise investment where there is excess capacity for example. The RTI should not prevent but facilitate innovative pricing practices which rely on data driven analytical models which take into

	<p>accounts customer's usage and interest. BTLT should be excluded as these can be geographical or cell based and offer genuine benefits. For example, Customer X visits a mall in West Bay, by virtue of the geographic location made available by the Customer X through their handset; he/she will receive special offers available in that mall on that date. By preventing these types of offers, the CRA will prevent innovative and new marketing initiatives to come into Qatar as envisaged by the MOTC's Advancing the Digital Agenda<sup>3</sup> which clearly states that Qatar's Digital Agenda includes: "Incentivise the ICT industry to develop innovative products and services". The proposal of the CRA also runs counter the achievement of the objectives assigned to it under the Telecommunications Law and in particular Article (2)2 on enhancing the performance of the sector and Article (2)3 on supporting the introduction of advanced and innovative services</p> <p><b>Recommended Changes:</b> Vodafone Qatar therefore suggests that CRA allow geographic differentiation of charges for non DSPs. Unless specifically approved DSP shall not engage in geographic differentiation especially targeting those areas where there is competition. We are a small market with no bias in the geographies and therefore see no issue in better utilisation of certain sites in certain geography which gives customers certain extra benefits.</p>
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<sup>3</sup> [http://www.motc.gov.qa/sites/default/files/qatars\\_national\\_ict\\_plan\\_english\\_1.pdf](http://www.motc.gov.qa/sites/default/files/qatars_national_ict_plan_english_1.pdf)

#### 4 Provisions specifically for DSPs

82. The following provisions are additional to those included in Section 3 above.

##### 4.1 Tariffs – Filing

83. All Tariffs that contain a service or service elements that fall within a Relevant Market in which a SP has been designated as dominant must be filed and explicitly approved by the CRA in advance of being made available to Customers.

84. A DSP is obliged to file their proposed Tariffs as listed in Table 4 above in a Tariff Filing, which must include:

84.1 The Tariff Document in a form as per Annex III of this RTI;

84.2 Cost justification, demonstrating the absence of anti-competitive conduct<sup>17</sup>, which includes e.g. pricing below cost<sup>18</sup> or excessive pricing<sup>19</sup>. A cost justification must include as a minimum

- (a) Revenue information – a detailed breakdown of the revenue components (e.g. connection, subscription, usage) of the Retail Offer, including the number of Customers supposed to subscribe the Tariff;
- (b) Cost Information - a detailed breakdown of the cost components (e.g. network, retail, termination etc.) of the Retail Offer; and
- (c) The number of Customers subscribed to the Telecommunications Service.

Any cost information must be based on a reliable source such as the approved Regulatory Accounting System. The cost information must be based on the applicable cost base and cost standard as approved by the CRA. In the absence of reliable cost information the CRA may chose appropriate proxies and benchmarks.

84.3 Proof, that the DSP has provided or will be providing (a) corresponding wholesale service(s) to the Retail Offer in order to enable other SPs to replicate the Retail Offer of the DSP. The CRA will weight up the relevance of this requirement in terms of advantages and disadvantages for Customers and competition for each Tariff Filing by a DSP;

84.4 All other information specifically required as per this RTI.

**Article 4-** Overall, Vodafone Qatar remains deeply concerned with:

- Lack of focus and details on the provisions specifically applying to the DSP and their implementation (2 pages out of 20 pages) whereas this should be the focus of the RTI as per the Telecommunications Law. This creates regulatory uncertainty for the market.
- The complete watering down of the provisions on wholesale enablers from CD#1 to CD#2 without any justification. In effect the CRA is telling Ooredoo that it is OK for Ooredoo not to comply with the obligations to offer wholesale input to competitors set by the CRA. Those obligations were introduced by the CRA in May 2016 and so far Ooredoo continues not to comply with them.

The RTI should set a framework that supports competing investment and sustainable competition while mitigating the risk of re-monopolisation in mobile with Ooredoo leveraging market power from fixed to mobile. This is necessary to ensure that consumers and businesses alike in the country experience the benefits of competition and avail of world class services. It is also required so that Vodafone Qatar stands a chance to earn a reasonable return on its investment. To achieve this objective, a significant shift in the Draft RTI is necessary with proper focus on the regulation of the DSP in fixed and bundled offers and conversely the withdrawal of unnecessary restrictions in mobile and heightened filing and reporting requirements for non DSP.

It follows from the above that the RTI should first and foremost focus on provisions applying to DSP. We agree with the CRA's that clear rules (e.g. no cross-subsidization, no abusive bundling) should apply to tariffs provided by the DSP. Those rules should be consistent with the Telecommunications Law and potential competition and regulatory problems. We also support the CRA's proposal to include a replicability requirement where Ooredoo has been mandated to offer wholesale products. However, further details and clarity is required on the various rules.

Similarly, to minimise regulatory uncertainty, the processes for tariff review and approval of the DSP tariffs along with the criteria against which compliance will assessed should be clarified and detailed further. Indeed, the extent to which the RTI achieve its objectives to prevent anti-competitive practices and support competing investment and sustainable competition depends crucially on the detailed implementation of the rules and the parameters used. At present the RTI offer very limited guidance. Example of questions the CRA must answer include:

- how is the CRA going to assess whether there are no cross-subsidies between services in a bundle?

- which cost standard does the CRA intend to use to ensure that competing investment in fixed is not deterred?
- which efficiency standard should be used given the market environment and Ooredoo dominance?

The CRA must align the DSP provisions of the RTI with the state of the market and expected development. We understand that a key policy priority of the CRA is to inject competition and investment in fixed, especially for enterprise while maintaining competition in mobile.

Vodafone Qatar is fully aware that the Competition Policy issued by the CRA issued on 21 October 2015 ("**Competition Policy**") which provides some guidance on how the CRA will look at anti-competitive practices. However, the Competition Policy refers to ex post and not ex ante where different regulatory settings can be fully justified in light of the incumbency advantages and the regulator's objectives. For instance, Ooredoo's fixed network is fully deployed and a large part of it is already fully depreciated. It also has close to 95% market share. In those circumstances, adjustments are necessary to ensure that the competing investment necessary for sustainable competition take place. We submit that the methodology and parameters underpinning the economic framework and tests the CRA will use for the approval to be subject to detailed consultation.

In CD#2, the CRA says that "the RTI has further clarified the obligations on the DSP and provided for more clarity on the controls" (CD#2, page 7). We disagree with this statement. As can be seen in the draft RTI the CRA has yet to offer the necessary details.

The CRA seems to now be making a u-turn on wholesale enablers without any rationale. The wording of 84.3 "[t]he CRA will weight p the relevance of this requirement in terms of advantages and disadvantages for Customers and competition for each Tariff Filing by a DSP". If Ooredoo was compliant with the Orders of the CRA, there will be today a wholesale bitstream and wholesale leased lines offers available to replicate the retail offers of Ooredoo and satisfy with non-discrimination obligation. In Vodafone Qatar's view, the CRA should revert back to a strict replicability requirement: wholesale inputs are meant to enable downstream competition and benefit consumers. The proposed wording will give rise to uncertainty. In practice it rewards Ooredoo for not complying with the ARF.

**Recommended Changes:** Vodafone Qatar therefore suggests to revert back to a stricter replicability requirement including: "The DSP may not set a price of a service (including a bundle) such that, at the time of its introduction, the difference between the retail price and the price of the relevant corresponding wholesale service is such that a reasonably efficient competitor could not be expected to sustain a competing service. This requirement applies solely where the CRA

has determined that an operator hold a dominant position in a wholesale market and/or control a bottleneck and is required to offer a wholesale service to allow other SP to replicate the retail offer of the DSP.”

#### 4.2 Tariffs – Review and Approval

85. The CRA will review the Tariff Filing to ensure that it complies with the ARF in general and the requirements of this RTI in particular.
86. The review will be based on, amongst others, but not limited to:
  - 86.1 Information submitted as part of the Tariff Filing;
  - 86.2 Other official submissions to the CRA by the DSP such as the Regulatory Accounting System, MDDD reports, profitability reports etc.; and
  - 86.3 Any other information the CRA deems necessary to assess the validity of the Tariff Filing (e.g. benchmarks etc.).
87. Once a complete Tariff Filing has been received, the CRA will have 10 working days to (a) approve or (b) object to the Tariff or (c) extend the period for review.
88. If the CRA decides to extend the 10 working days review period it shall notify the DSP in writing and shall specify the concerns, procedures and timetable for the extended Tariff review.
89. Within the 10 working days review period the CRA may also request in writing further information from the DSP in relation to the Tariff Filing. A request for further information, including meetings to discuss the Tariff Filing, will stop the 10-working day countdown. The 10-working day countdown will re-start once the additional information has been received by the CRA in its complete form as requested by the CRA.
90. If a request from information from the CRA contains a response deadline, any request for an extension of this deadline by a DSP must be accompanied by a convincing justification and filed at least five working days before the expiry of the original deadline.
91. Information may be exchanged in a Tariff meeting that may alter the CRA's understanding of a Tariff. This information does not need to be re-submitted in a formal Tariff Filing, but must be captured in minutes of the meeting.
92. The approval of the proposed Tariff will be communicated in writing to the DSP.
93. A Tariff approval will be considered void if the Tariff is not introduced in the market within 3 months from the approval date. A new Tariff Filing will be required after this period.
94. If concerns regarding a Tariff arise after it has been approved by the CRA and introduced in the market, the CRA may initiate an ex-post review of the Tariff.
95. If due to concerns, the CRA declines to approve a proposed Tariff, it will inform the DSP within the 10 working days review period of the reasons for such a decision in writing.

**Article 4.2** - We agree with the CRA's filing and approval requirements for the DSP. However, we consider that Section 4 of the RTI needs to be significantly augmented. It is the core of the RTI and requires more than two pages to be fit for purpose and achieve its intended objectives.

We would certainly invite the CRA to take as a starting point the Retail Tariff Notification Regulation of the TRA Bahrain and supporting Guidelines as a starting point and to adjust it to reflect the specificities of the market and the Telecommunications Law.

We welcome and fully support the introduction of wholesale enablers as pre-conditions to tariffs changes and more generally the concept of economic and technical replicability. We agree with the CRA that “[i]n order to enable the orderly development of especially the fixed markets, the CRA see tremendous merits to include this requirement in the approval process for Tariffs of DSP” (CRA, CD paragraph 36). We note that such requirement is consistent with Articles 43(1) and 43(2) on abuse of dominance. However, the CRA needs to provide additional guidance in terms of how it sees this requirement working in practice, especially when there are different wholesale products available at various levels in the value chain. Guidance is required on the various parameters of the economic tests implied.

In our view, an operator determined by the CRA to be dominant in any relevant retail markets should file and seek formal approval from the CRA to introduce and change any tariff. Bundles that include at least one element provided in a market in which an operator has been declared dominant should be subject to approval. This is as per the Telecommunications Law.

For the avoidance of doubt this should include changes that affect the prices of telecommunications services and any changes to the non-price terms (including terms and conditions) of tariff which amount to a material change in the resulting price of the cost of provision of the services.

The current Section 4 lacks details on:

- The tariff rules applicable and their definition: it is not enough for a legal instrument to merely list examples of anti-competitive conduct. Clarity should be provided; and
- The criteria, methodology, parameters and manner in which the CRA will assess whether a tariff meet the tariff rules and hence can be approved under ex-ante regulation should be



	<p>spelled out. The document provides no guidance on this.</p> <p>As a challenger on the verge of undertaking significant investment in fixed infrastructure to support the CRA's objective to inject competition in fixed, we submit that the methodology and parameters of the economic tests to be undertaken by the CRA must be clarified and consulted upon.</p> <p>Vodafone Qatar submits that the methodology and parameters should be consistent and support the objective of the CRA to foster competing investment and sustainable competition.</p> <p>Regarding the processes outlined in Article 4.2, we request the decisions of the CRA regarding the approval and rejection of tariffs of the DSP, including reasoning, to be made available to other SPs. As affected parties by the decisions of the CRA, SPs should be privy to the tariffs decisions. Transparency will also assist in monitoring of offers in the market.</p> <p><b>Recommended Changes:</b> Vodafone Qatar therefore suggests that the CRA consults and provides additional clarity on the tariffs rules, criteria, methodology, parameters and manner in which CRA will review and approve tariffs. We also submit that the CRA should make available to SPs the decisions of the CRA regarding tariffs at the same time the DSP is informed.</p>
<p><b>4.3 Bundles</b></p> <p>96. Typically, any bundle offered by the DSP must be capable of being replicated by other SPs. Accordingly, DSPs must:</p> <p>96.1 Ensure that wholesale products are offered to other SPs that enable the provision of the same services (as the DSP); and</p> <p>96.2 Demonstrate that other SPs can replicate a bundled Retail Offer using either its own network or wholesale products currently provided, by the DSP.</p> <p>97. The DSP may be required by the CRA to also offer separately the individual service elements of the bundle.</p>	<p><b>Article 4.3 -</b> We full agree that a core element of any rules around bundles is the question of replicability especially at a time when we can expect the introduction of converged fixed and mobile offers. Those offers from the incumbent operator can lead to a monopolisation of the mobile market, prevent the emergence of competition and undermine investment in fixed. This is particularly the case starting from a market structure where the incumbent has virtually 100% market share and there are no wholesale products in place.</p> <p><b>Recommended Changes:</b> Vodafone Qatar therefore suggests that the CRA provides more clarity on how the replicability requirements will be assessed.</p>



## 5 Provisions specifically for non-DSP

98. The following provisions are additional to those included in section 3 above.

### 5.1 Tariffs – Filing and Review

99. The CRA will verify that the Tariff Filing is consistent with the ARF in general and the requirements set out in this RTI.

100. Once a complete Tariff Filing has been received, the CRA will have 10 working days to (a) object to the Tariff and order its suspension, modification or withdrawal, or (b) extend the period for review.

101. If the CRA decides that an extended review of a proposed Tariff is necessary, it shall notify the SP in writing and shall specify the procedures and timetable for the Tariff review.

102. If a request from information from the CRA contains a response deadline. Any request for an extension of this deadline by a non-DSP must be accompanied by a convincing justification and filed at least 5 working days before the expiry of the original deadline.

103. Information may be exchanged in a Tariff meeting that may alter the CRA's understanding of a Tariff. This information does not need to be re-submitted in a formal Tariff Filing but should be captured in appropriate minutes drafted by the CRA.

104. If the concerns are not addressed to the CRA's satisfaction, the CRA may request that the non-DSP withdraw the Tariff.

105. If after launch there are concerns that the tariff does not adhere to the ARF the CRA may initiate an ex-post review of the Tariff.

**Article 5-** For the reasons set out above regarding Articles 3.2 and 3.7 above we do not agree with these provisions and request the CRA to consider our suggested changes.

If the CRA is adamant that that non-DSPs should continue to file, Vodafone Qatar requests the following amendments to be included:

- Specify that filling should take place no later than the day of commercial launch;
- Article 5.1.(102): we advise against overly prescriptive processes especially when it will be in our interest to submit information in a timely manner. If the CRA wishes to maintain this provision and specific timelines, then we request the CRA to add at the end "and the extension shall be granted with one working day".
- Article 5.1(104) and Article 5.1(105): "concern" is vague and provide no certainty to SPs. We understand that the purpose of the review is to assess consistency of the tariff with the ARF and it would be disproportionate for the CRA to request a non-DSP to withdraw a tariff in case the CRA has "concerns" with a tariff. Any request for withdrawal should be justified and proportionate. Add "material" before concerns.

**Recommended Changes:** Vodafone Qatar therefore suggests removal of filling provisions for non-DSP. If the CRA wishes to maintain filling requirements, then include the requested changes above.

## 6 Compliance, Monitoring, Enforcement and Review

### 6.1 Compliance

106. The SP must comply fully with any and all procedures related with Tariffs as established in the ARF.

### 6.2 Monitoring

107. The CRA will monitor that the compliance of the SPs with this RTI, specifically but not limited to, against the following criteria:
- 107.1 Introduction of Tariffs neither filed nor approved nor published by the SPs in the market;
- 107.2 Consistency of the published Tariff Documents with those filed for / approved by the CRA;
- 107.3 Refusal to provide required information; and
- 107.4 Delays in submitting required information.
108. Monitoring will be carried out, specifically but not limited to:
- 108.1 Checking the section of SPs' website where the commercial offers and Tariff Documents are published;
- 108.2 Review of the completeness of the required information; and
- 108.3 Investigations performed by the CRA.

### 6.3 Enforcement

109. In the event of non-compliance, it shall result in one or a combination of the following enforcement provisions as stipulated under the Telecommunication Law:
- 109.1 Invoking the provisions of chapter sixteen (16) of the Law, whereby the SP shall be subject to criminal prosecution as a form of punishment for non-compliance with the relevant provisions of the Law and its license;
- 109.2 Invoking the provision of Article 62-bis of the Telecommunication Law, whereby non-compliance is punishable with the imposition of one or more of the administrative penalties that are set out in Schedule 1 of the Law;
110. In addition to the above, the CRA shall take adequate actions to protect the Customers, including but not limited to:
- 110.1 Ordering non-DPS to have their Tariffs pre-approved by the CRA;
- 110.2 Ordering SPs to cease offering BTLTs;
- 110.3 Issuance of an Order to officially withdraw the Tariff, which could for a number of reasons ranging from misleading published GT&C to failure to file the Tariff prior to its introduction; compensation to the affected Customers may be also required;
- 110.4 Issuance of an Order obliging the SPs to provide illegal telecommunications service for free to affected Customers until the expiry date of the contract.

### 6.4 Review

111. This RTI may be reviewed by the CRA from time to time to ensure it remains relevant to developments in the market.

**Articles 6.1 & 6.2** - Vodafone Qatar considers that it is critical for the CRA to minimise the risk of regulatory failure whereby material non-compliances are not addressed in a swift manner.

**Recommended Changes:** Vodafone Qatar therefore recommends that the RTI focusses on the DSP and provide clear processes and appropriate timeline for enforcement. Further, we suggest that like currently being done in the Consumer Protection Policy, all SP's should self-certify that they are in full compliance with the RTI on an annual basis. Further, if Ooredoo does not comply with the revised RTI and specific cases are brought to CRA's attention e.g. illegal fixed discounts but Ooredoo continues not to comply then Vodafone Qatar should be able to respond to these without any liability or any enforcement action by the CRA.

**Article 110:** Any Order that the CRA may issue should be consulted upon and SP should be given an opportunity to comment.

**Article 6.3 (110.1 and 110.2)** – we reiterate our comments on **Article 3.3 (46)** above. We are surprised that the CRA has added additional enforcement threat only against non-DSP such as ceasing BTLT and getting Tariffs pre-approved. We are also concerned with the lack of qualification such as "material" breaches. It seems that the focus of the CRA is more on non-DSP instead of DSP which we find very unusual, out of step with the ARF and clearly disproportionate. In any case the CRA will be required to consult the industry prior to modifying the scope of the RTI. This is all the more surprising when the DSP has been found in breach of the ARF for competition impacting issues such as delaying and frustrating for many years duct access, FNP, refusing to comply with CRA orders related to the introduction of bitstream and leased lines, for false and misleading advertisement illegal discounts in fixed enterprise markets to name just a few. However, they have been no consequences in terms of penalties, fines or public prosecution for these breaches.

**Article 110.4:** the CRA has provided no rational for the introduction of this provision, its legal basis and consistency with the ARF.

**Recommended Changes:** Vodafone Qatar therefore suggests redrafting Article 110. "In addition to the Above the CRA shall take adequate actions to protect the Customers following due process." Delete 110-1 to 1110.4

## Annex III Tariff Document - Template

### General Tariff Information

Service Provider Name	Name of Service Provider
Tariff Number	A unique number for identifying this Tariff (To be created by the Service Provider)
Marketing Name of the Retail Offer	Generic name (e.g. post-paid mobile) and/or brand name (e.g. <del>Shahry</del> )
Relevant Markets	The Relevant Market(s) in which the Tariff will be offered according to the MDDD
Tariff Type	Residential or Business
Tariff Effective Date	Availability to Customers
Tariff Version Number	To be created by Service Provider (promotions are suffixed)

### Tariff Details

Definitions	Definitions of terms used in this Tariff Document
Tariff Terms and Conditions	Service specific terms and conditions
Service Description	A clear product description of the Service being offered with respect to what the Tariff proposes to deliver to Customers
Features	
Charge Rates	All the Charges Rates must be in QAR, including all taxes, levies, etc.
Service Provider obligations	Which are not included in the SP's General Terms and Conditions, such as service availability and limitations – availability, maximum downtime, mean-time-to-repair, quality of service, speed, throughput, technical and geographical limitations.
Customer obligations	Which are not included in the SP's General Terms and Conditions
Equipment and technical interfaces [for Business Tariffs only]	Equipment owned/leased and supplied by the Service Provider, equipment provided by the customer, service demarcation point, standards/specifications of service interfaces.
Service Level Agreement [for Business Tariffs only]	Including measurable QoS Parameters. For example, service availability and limitations – availability, maximum downtime, mean-time-to-repair, quality of service, speed, throughput, technical and geographical limitations.
Criteria for Customers/ Group of Customers to access the Tariff (if required) refer to Sections 3.7 and 3.8	

### Tariff Version Control

Tariff Version Number	Approval Date	Effective Date	Tariff Modifications
1.00	11 Aug 2008	18 Aug 2008	New Tariff
1.01	01 Sep2008	10 Sep 2008	Local call price increase (4.1)
1.01a	06 Oct 2008	09 Oct 2008	July promotion for 8 weeks

\*\*\* End of the RTI \*\*\*

Vodafone Qatar believes that the Annex III is fine for Permanent Offers but a bit excessive for promotions and suggest the CRA to have a simpler one without the following:

1. Definitions
2. SP obligations;
3. Customer Obligations
4. SLA
5. Equipment and technical interfaces

Non-DSP tariffs are not approved.

**Recommended Changes:** Vodafone Qatar therefore suggests having two sets for DSP and non-DSP and allowing a lighter template for promotions.

**- END -**

DRAFT SENT TO SPs FOR SANITY CHECK

## Retail Tariff Instruction (“RTI”) for Individually Licensed Service Providers

CRARAC 2018/10/dd  
October dd 2018

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# 1 Introduction

## 1.1 Objective and Scope

1. This Retail Tariff Instruction (“RTI”) sets out the procedures and requirements that apply under the Applicable Regulatory Framework (“ARF”) in relation to Retail Offers for telecommunications services provided by Service Providers Licensed in Qatar.
2. This RTI applies to Individually Licensed Service Providers (“SPs” or “Licensees”) who offer telecommunication services to the public, both Dominant Service Providers (“DSP”) and non - Dominant Service Providers (“non-DSPs”).
3. It is the responsibility of the Licensees to ensure telecommunications products and services sold by associated third parties (such as premium partners) are in compliance with the ARF.
- 2-4. This RTI is effective from the date of issuance of this Instruction MM/DD/YYYY. The effective date will be included in the Final version of the RTI.
- 3-5. This RTI applies to Tariffs, defined in accordance with the Individual Licenses and the Executive By-Law to mean:  
*“any statement of prices, rates, charges or other compensation of any form (including related service descriptions or terms and conditions such as rebates, waivers or discounts) offered by a Service Provider regarding any of its services”*
- 4-6. Wholesale Tariffs or charge controls for wholesale Tariffs fall outside the scope of this RTI.
- 5-7. This RTI must be read in conjunction with the ARF, including amongst others, but not limited to:
  - 5-17.1 The Statement of Competition Policy and Explanatory Document, dated October 21, 2015<sup>1</sup>;
  - 5-27.2 The Telecommunications Consumer Protection Policy, issued in January 2014<sup>2</sup>; and
  - 5-37.3 The Code on Advertising, Marketing and Branding (ref. CRA-CGA/1305/14/ng, issued on September 25, 2014)<sup>3</sup>.
- 6-8. This RTI **replaces**:
  - 6-18.1 All previous versions of the RTI;
  - 6-28.2 The “Notice Revised Interim Rules for Retail Tariff Assessment”<sup>4</sup>;
  - 6-38.3 The Order setting forth the rules and instructions for on-net/off-net price differentiation for Dominant Service Providers in Qatar dated 15 May 2011 (ICTRA 2011/05/15); and
  - 6-48.4 The Annexures relating to Retail Tariffs (Annexure D) of the Individual Licenses.

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## 1.2 Background

1 Available at <http://cra.gov.qa/en/document/documents-related-cras-competition-framework>

2 Available at <http://cra.gov.qa/en/document/consumer-protection-policy>

3 Available at <http://cra.gov.qa/en/document/code-advertising-marketing-and-branding>

4 RA-ASG/02-281211

7-9. This RTI has been developed by the Communications Regulatory Authority (“CRA”), following a consultation process ~~started which began~~ in March 2018.

All the steps followed in the proceeding will be included in the final version of the RTI

~~8-10. As Retail Offers and the associated Tariff proposals differ and evolve, this RTI cannot be exhaustive.~~ This RTI provides guidance ~~of~~ how the CRA intends to proceed with Tariff reviews and/or approvals in a **typical** case. ~~However, As Retail Offers and the associated Tariffs proposals differ and evolve, and this RTI cannot~~ could not be exhaustive. In n the exceptional cases, where the proposed Tariff is not covered a typical one and where by their RTI, may not provide guidance, the CRA will provide will make a decision based on regulatory best practice. In these instances event the CRA adopts an approach which is materially different from this RTI, a detailed justification for decisions madewill be provided to SPs.

## 2 Legal Basis

### 2.1 The Telecommunications Law issued by Decree No. 34, 2006 (“Telecommunications Law”) as amended by Law No. 17 of 2017

~~9-11.~~ Articles 4(4) and 4(8) allow the CRA to set and enforce appropriate remedies to prevent SPs from engaging in or continuing anticompetitive practices and empowers the CRA to safeguard the interests of Customers, including setting rules for Tariff regulation.

~~10-12.~~ Article 26 empowers the CRA to determine the elements necessary for the provision of Tariff offers, their approval and publication in respect to telecommunications services. The CRA may also set out other rules for regulating prices and Tariffs including the implementation of any program for rate rebalancing or price cap.

~~11-13.~~ Article 28 states:

*“Dominant service providers must submit to the CRA the offers for the tariffs, prices and charges of the telecommunications services in the markets where they have been designated as dominant service providers and obtain the prior approval for them.”*

~~12-14.~~ Article 31 states:

*“The dominant service provider must not apply or change any tariffs, prices or charges or any other consideration that are contrary to the tariffs approved by the CRA. Any agreement or arrangement between the service provider and the Customer to the contrary is prohibited.”*

~~13-15.~~ Article 44 states:

*“Dominant service providers shall offer equivalent terms and quality of service for all customers including tariffs, and the CRA may permit differing terms if such terms are objectively justified based on differences in supply conditions including different costs, traffic volumes, or shortage of available facilities or resources. This prohibition shall also apply between customers who obtain a service for resale to their end customers. The dominant service provider must submit to the CRA sufficient justifications regarding any discrimination and must cease the*

*discrimination upon receipt of a notice in this regard from the CRA.”*

~~44-16.~~ Article 51 (1) states:

*“The service provider must provide the consumer, before the consumer subscribes to the service or before the consumer incurs any commercial obligation to the service provider, with the terms of the service and any other terms and conditions and all tariffs, rates and costs applicable to any telecommunications service.”*

~~45-17.~~ Article 51 (2) states:

*“The service provider shall not charge a consumer except the service fee specified to telecommunications or the specified fee for telecommunications equipment ordered by the consumer. The consumer shall not be liable to pay any fee for any service or equipment relating to telecommunications that the consumer has not ordered.”*

## **2.2 The Executive By-Law of 2009 for the Telecommunications Law (“By-Law”)**

~~46-18.~~ Article 1 defines a Tariff as:

*“any statement of prices, rates, charges or other compensation of any form (including related service descriptions or terms and conditions such as rebates, waivers or discounts) offered by a Service Provider regarding any of its services”.*

~~47-19.~~ Article 6 empowers the CRA to take measures, actions and decisions, as it deems appropriate to ensure that Individual Licensees and SPs comply with the provisions of the law, the By-law and the provisions of the Individual Licenses or to remedy their breaches.

~~48-20.~~ Article 54 provides that the CRA shall have the authority to review all SP Tariffs, including retail Tariffs, and to determine any requirements regarding Tariffs, their approval and publication, and the CRA may issue regulations or orders to regulate the Tariffs of SPs.

~~49-21.~~ Article 56, applicable to DSPs, states:

*“Tariffs that are subject to filing with and approval by the CRA shall enter into force only after they have been approved by a decision from the CRA.”*

~~20-22.~~ Article 75 states:

*“Dominant Service Providers are prohibited from undertaking any activities or actions that abuse their dominant position. In addition to the conduct and activities specifically identified in Article 43 of the Law, the CRA may prohibit any other action or activities engaged in by a Dominant Service Provider that the CRA determines to have the effect or to be likely to have the effect of substantially lessening competition in any telecommunications market.”*

## **2.3 Emiri Decree No. (42) of 2014 Establishing the Communications Regulatory Authority (“Emiri Decree”)**

[24-23.](#) Article 4 of the Emiri Decree makes the CRA responsible for regulating the communications information technology and the post sector, as well as access to digital media, with the aim of providing advanced and reliable telecommunication services across the State.

[22-24.](#) Article 4(1) empowers the CRA to set Regulatory frameworks for the communications, information technology, the post sector, and access to digital media, in line with the general policies of the sector and to enable optimum performance.

[23-25.](#) Article 4(2) charges the CRA with actions finalized to encourage competition and prohibit or minimize anti-competitive practices, prevent misuse by any person or entity of its market dominance position, and take all necessary measures to achieve this.

[24-26.](#) Article 4(4) requires the CRA to protect the rights and interests of the public and Service Providers in the market, promote transparency and provide advanced, innovative and quality services at affordable prices to meet the needs of the public.

[25-27.](#) Article 15(2) requires the CRA to develop appropriate Tariff regulations, giving priority to the telecommunications market, or telecommunications services according to market requirements, and determine fees for retail and wholesale.

## 2.4 The Individual Licenses issued to Service Providers

[26-28.](#) Clause 3 of the Individual Licenses authorizes the SPs to provide the specified telecommunications networks and services in accordance with the terms and conditions of the Individual Licenses and its annexures, relevant legislation, international treaties, and any regulations, including instructions issued by the CRA before or after the effective date of the Individual Licenses. Accordingly, the CRA may from time to time issue additional requirements as part of the terms and conditions of the Applicable Regulatory Framework (ARF), which are binding on the SPs.

[27-29.](#) Clause 10<sup>5</sup> of the Individual Licenses provide obligations of the SP to Customers. This includes stipulations regarding compliance, billing, and suspension of Mandatory Service.

[28-30.](#) In addition the Licenses require the SPs to:

[28-30.1](#) Provide services to the Customers in accordance with terms and conditions that comply with the Applicable Regulatory Framework, including, among other things, the Tariff procedures<sup>6</sup>;

[28-30.2](#) Comply with all decisions and regulations issued by the CRA including but not limited to those governing pricing and Tariffs<sup>7</sup>;

[28-30.3](#) Not engage in any anticompetitive practices that prevent, hinder or substantially lessen competition, as stipulated in the Applicable Regulatory Framework, including the provisions of Annexure I of their Licenses<sup>8</sup>.

## 2.5 Summary of the Key Obligations

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<sup>5</sup> Or Clause 9, depending on the License

<sup>6</sup> Article 10(1) of Ooredoo, Vodafone, Es'hailSat Licenses; Article 9(1) of Qnbn License; Article 9 of Harris Salam, QSAT, and Rignet Licenses

<sup>7</sup> Article 14(1) of Ooredoo, Vodafone, Es'hailSat Licenses; Article 13(1) of Qnbn License; Article 12(1) of Harris Salam, QSAT, and Rignet Licenses

<sup>8</sup> Article 14(3) of Ooredoo, Vodafone, Es'hailSat Licenses; Article 13(3) of Qnbn License; Article 12(3) of Harris Salam, QSAT, and Rignet Licenses

29-31. The table below summarizes key obligations of the SPs regarding Tariffs in accordance with the ARF.

Obligation	Source of the Obligation	Applicable to	
		DSPs	Non-DSPs
Non-Discrimination	Law: Article (44) Prohibition of unjustified discrimination	Y	n/a
	By-Law: (-)	(-)	(-)
	Individual Licenses	(-)	(-)
	This RTI (Section 3.73-73.73.7 and 4.14-14.14.1)	Y	Y
Filing of the Tariffs with the CRA	Law: Article (28) Submission of Tariff Offers and Prior Approval	Y	(-)
	By-Law: Article (54) – Authority of the CRA to request filing	Y	Y
	Individual Licenses:	(-)	(-)
	This RTI (Section 3.23-23.23.2 and 4.14-14.14.1)	Y	Y
Approval of Tariffs by the CRA before making the Tariffs are available to the Customers	Law: Article (28) Submission of Tariff Offers and Prior Approval	Y	N
	By-Law: Article (56)	Y	N
	Individual Licenses:	(-)	(-)
	This RTI (Section 3.33-33.33.3 and 4.24-24.24.2)	Y	n/a
Publication of Tariffs	Law: (-)	(-)	(-)
	By-Law: Article (57)	Y	N
	Individual Licenses	(-)	(-)
	This RTI (Section 3.43-43.43.4)	Y	Y

Y yes  
 N no  
 n/a not applicable  
 (-) not included

Table 1: Key obligations of SPs regarding Tariffs

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### 3 General Provisions for all Service Providers

30-32. Except where explicitly stated otherwise, this section sets out provisions for all SPs - both DSPs and non-DSPs.

#### 3.1 Tariffs – General provisions and Taxonomy

31-33. All retail services<sup>9</sup> must be offered pursuant to a Tariff.

32-34. For the ease of reference, the following Table 2 Table 2 Table 2 Table 2 serves as a summary of the most important Tariff processes.

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Type of SP	DSP	Non-DSP
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<sup>9</sup> As defined by the By-Law, these entails any retail services offered by the SPs

Tariff type	Standard Tariffs <sup>10</sup>	Below the Line Tariffs	Bespoke Tariffs	Standard Tariffs <sup>11</sup>	Below the Line Tariffs	Bespoke Tariffs
Tariff Filing	Y	n/a	Y	Y	N	Y
Approval	Y	n/a	Y	N	N	N
Publication	Y	n/a	<del>Y</del>	Y	N	<del>Y</del>
Monitoring	Y	n/a	Y	Y	Y	Y
Compliance	Y	n/a	Y	Y	Y	Y

Table 2: Summary of most important Tariff processes

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33-35. The table below displays a taxonomy of Tariffs.

The CRA has moved the obligations on General Terms and Conditions to section 3.63.53.63.6.

Tariff Category	Definition <sup>12</sup>	Examples	Tariff Type
Standard Tariff ("ST")	<del>A Tariff offered by any SP to all business customers or to all residential customers or to all members of a subgroup of such customers. A Tariff made available by a SP to all Customers (i.e. all business and residential) or groups of Customers (e.g. All business or all residential).</del>  A ST may include a <u>discount matrix and/or a range of discounts</u> , where the addressable Customers and the criteria are clearly identified.	<del>For example, a standard Tariff may apply to all schools, all SMEs, all retirees etc. Offers available to the general public. The Tariffs are typically split in consumer and business Tariffs. E.g.</del> • Prepaid mobile residential • Postpaid mobile business	<ul style="list-style-type: none"> <li>• Permanent Tariffs</li> <li>• Promotional Tariffs<sup>13</sup></li> <li>• Loyalty Programs</li> </ul>
Below the Line Tariff ("BTLT") <sup>14</sup>	<del>A Promotional Tariff, made available by a non-DSP<sup>15</sup> to a specific Customer or group of Customers (and not accessible to all Customers). A BTLT must be of negligible value and therefore by its nature does not adversely affect competition. A Promotional</del>	"call to India for QAR 0.10 if you pay QAR 1 per week extra" "get QAR 10 top-up bonus if you top up with QAR 200 or more"	<ul style="list-style-type: none"> <li>• Promotional Tariffs</li> </ul>

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<sup>10</sup> For the avoidance of doubt, Tariff specific T&Cs are part of the Tariff

<sup>11</sup> ibid

<sup>12</sup> The definition does not differentiate Tariffs according to who the recipients of the offers are. For example, a Tariff could be addressed to all Customers or to only a group of Customers

<sup>13</sup> Refer to section 3.53.53.53.53.5 Promotional Offers which includes further detail on the Promotional Tariffs (e.g. duration)

<sup>14</sup> BTLTs are also called "customer value management" offers

<sup>15</sup> A BTLT can only be offered by a non-DSP.

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Tariff Category	Definition <sup>12</sup>	Examples	Tariff Type
	<p>Tariff offered by a non-DSP<sup>16</sup> to a specific customer or group of customers and not accessible to all customers. A BTLT must be of negligible value and therefore by its nature does not adversely affect competition.</p> <p>BTLTs are also called "customer value management" offers.</p> <p>Within For any Relevant Market, in any month, non-DSPs can offer BTLT lower or equal to 52% of the total monthly incremental revenues of the Relevant Market</p>		
Bespoke Tariff ("BT")	<p>A Permanent Tariff made available by a SP to a specific Customer or group of Customers (and not accessible to all Customers) A Permanent Tariff offered by any SP to only a specific customer based on its unique requirements. For its nature, the BT is -and not accessible to all Customers.</p>	<ul style="list-style-type: none"> <li>A mobile call plan for employees of a certain organization</li> <li>Services offered by a SP in response to a specific request to provide telecommunications services from a Customer (i.e. request for Tender<sup>17</sup>) A service for special projects during a tenders (which is not a Standard Tariff)</li> </ul>	<ul style="list-style-type: none"> <li>Permanent Tariff</li> </ul>

Table 3: Taxonomy of Tariffs

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### 3.2 Tariffs - Filing

34-36. The SP must file with the CRA all and any Tariffs as per Table 4 below

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Tariff Category	Types of Tariffs	Filing obligation	
		DSP	Non-DSP
Standard Tariffs ("ST")	Permanent Tariffs	Y	Y
	Promotional Tariffs	Y	Y

<sup>16</sup> A BTLT can only be offered by a non-DSP.

<sup>17</sup> They could be within a formal or informal bid process.



Tariff Category	Types of Tariffs	Filing obligation	
		DSP	Non-DSP
	Loyalty Programs	Y <sup>18</sup>	Y <sup>19</sup>
Below the Line Tariffs ("BTLT")	Promotional Tariffs	(n/a)	N
Bespoke Tariffs ("BT")	Permanent Tariffs	Y	Y

Table 4: Tariffs to be filed with the CRA

35.37. For the avoidance of doubt, a Tariff Filing must be made for e.g. the following cases:

35.437.1 New Standard Tariffs and changes thereof, as e.g. price increases;

35.237.2 Withdrawal of Tariffs;

35.337.3 All framework agreements, discount schemes, bonus schemes and Loyalty Programs and any changes thereof;

37.4 Bespoke Tariffs, including those offered within Tenders<sup>20</sup>, such as project business or and any changes thereof;

35.4 For the avoidance of doubt, the DSP's Filing of already approved Standard Tariffs including approved discounts up to 20% - offered within a Bespoke Tariff is not required.

35.537.5 The Tariffs for services rendered to Customers when outside of Qatar (e.g. roaming and calling cards).

36.38. The SP must submit a Tariff Filing consisting of:

36.438.1 The Tariff Document, as per the template set out in Annex III Annex III Annex III Annex III Tariff Document - Template Tariff Document - Template Tariff Document - Template;

36.238.2 Where applicable, the Tariff Document must include a description of the specific criteria that qualifies a Customer or group of Customers for a specific Tariff or discount (refer to Sections 3.73.73.73.7 and 3.83.83.83.8);

36.338.3 All other information specifically required as per this RTI.

37.39. SP must ensure that a Tariff Document:

37.439.1 Is submitted in PDF and/or Word format<sup>21</sup>;

37.239.2 Is written in plain language and easily understood by a typical Customer;

37.339.3 Contains and fully discloses in detail:

- (a) All terms and conditions of the Retail Offer
- (b) All products and services associated with the Retail Offer;
- (c) The period of the Tariff;
- (d) Whether the Retail Offer is a promotional or permanent offering;
- (e) All applicable prices (and the units to which they apply, rounding practices, use of (billing) increments, and any schemes involving promotions, rebates, discounts, waivers or free items;
- (f) The period for which the included bundle (e.g. minutes/messages/data allowance) remains valid, i.e. a monthly package of 10 min for 1 QAR per month

<sup>18</sup> Quarterly reporting, as detailed in clause 40404039

<sup>19</sup> Refer to footnote 18182017

<sup>20</sup> These are formally offers for carrying out works, supplying goods, etc. They could be within a formal or informal bid process.

<sup>21</sup> For the avoidance of doubt, a simple e-mail with the relevant Tariff Documents (in track change, in case of changes to an existing Tariff) suffices as a filing. The CRA does not require a cover letter.

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must specify whether the 10 minutes will expire after one month, roll over to the second, third etc. month and then expire or continue rolling over as long as the Retail Customer subscribes to the plan;

- (g) The minimum commitment periods and any cancellation policies;
- (h) Any other special considerations or other elements of the Retail Offer that are material to the service provided and the consideration to be paid; and
- (i) Any charges for equipment not subject to Tariff control but which are included as part of the service offered (e.g. additional broadband router).

37.439.4 Where required, all calculations and explanatory documents must be submitted with the Tariff Filing. All calculations must be in Excel format and well documented.

40. For Loyalty Program the CRA requires the SPs to provide a quarterly report. This report must be submitted in Excel to the CRA, on dates corresponding with the MDDD reporting (ref. section 9 of the Order "MDDD 2016 Reporting Notice", CRA 2017/05/02) For each Loyalty Program, per calendar quarter, the quarterly report must contain:

- 40.1 Number of participants;
- 40.2 Points accumulated in the calendar quarter;
- 40.3 Cash value of points accumulated in the quarter;
- 40.4 Points redeemed via SP in the calendar quarter;
- 40.5 Cash value of points redeemed via SP in the calendar quarter;
- 40.6 Points redeemed via third parties in the calendar quarter;
- 40.7 Cash value of points redeemed via third parties in the calendar quarter;
- 40.8 Total points accumulated over the history of the program;
- 40.9 Total cash value of points accumulated over the history of the program;
- 40.10 Total points redeemed via SP over the history of the program;
- 40.11 Total cash value of points redeemed via SP over the history of the program;
- 40.12 Total points redeemed via third parties over the history of the program; and
- 40.13 Total cash value of points redeemed via third parties over the history of the program.

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- 41. For Below the Line Tariffs:
- 41.1 No filing is required;
- 41.2 SPs must keep records of the type of offers and incremental revenue they generated for at least for 24 months from the date of the introduction of the BTLT in the market;
- 41.3 At its own discretion, the CRA may ask for reports and records take any other measure to verify the compliance of the SPs.

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- 42. For Bespoke Tariffs:
- DSPs
- 42.1 Have to file for approval for approval, all previously non-approved Tariffs for telecommunications services contained within a Bespoke Tariff (cf. clause 102 below102 below102 below91 below- fast track-). In case they win the bid DSPs must file the complete Bespoke Tariff immediately after the signature of the contract and, in case they win the bid, immediately after the signature of the contract for information purpose;

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- 42.2 Non-DSPs havemust to file the complete Bespoke Tariff immediately after the signature of the contract for information purpose.;
- 42.3 The CRA clarifies that the SPs do not have to submit the full tender documents, but only the relevant Tariff Documents and relevant information pertaining to Telecommunication Services.

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42.4 For confidentiality reasons (i.e. in case of tenders involving security forces, the SPs may omit the name of the contracting entity and summarize the description of the services provided.

42.5 The CRA reminds the SPs on the stipulations of cross-subsidization between Telecommunication Services and Non-Telecommunication Services. In this regard the CRA may ask for full information, including also the Non-Telecommunication Services and require the SP to demonstrate the absence of cross-subsidization.

38-43. All Tariff Filings must be sent to the mail group [tariffs@cra.gov.qa](mailto:tariffs@cra.gov.qa).

39-44. Failure to comply with the Tariff Filing requirements may result in the CRA not approving the Tariff proposed by the SP.

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### 3.3 Tariffs – Review and Approval

40-45. Explicit pre-approval by the CRA is required as per the Table 5 below. For the avoidance of doubt, this includes new Tariffs, modifications/changes to existing Tariffs and withdrawal of Tariffs.

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Tariff Category	Types of Tariffs	Explicit pre-approval required by the CRA	
		DSP	Non-DSP
Standard Tariffs	Permanent Tariffs	Y	N
	Promotional Tariffs	Y	N
	Loyalty Program	<del>Y</del>	N
Below the Line Tariffs	Promotional Tariffs	(n/a)	N
Bespoke Tariffs	Permanent Tariffs	Y	N

Table 5: Tariffs requiring explicit approval by the CRA

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41-46. More specifics of the review and/or approval process are detailed in Section 4.24-24.24.2 below for DSPs and in Section 5.15-15.15.4 below for Non-DSPs.

42-47. In general, the communication from the CRA will be by normal letter sent by e-mail.

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43-48. In case a SP is uncertain regarding the contents of a Tariff Filing, e.g. a cost justification, criteria for offering a discount, etc., the CRA welcomes a meeting prior to the Tariff Filing in order to ease the process.

44-49. In case of repeated breaches of the RTI, the CRA may oblige a non-DSP to have its Tariffs pre-approved by the CRA or may oblige a non-DSP to cease offers.

### 3.4 Tariffs – Publication

45-50. The following Tariffs ~~must be published by the SP~~ as per Table 6 below must be published on the SP's website in an easy-to-find location. This includes new Tariffs, modifications/changes to existing Tariffs and withdrawal of Tariffs.

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Tariff Category	Types of Tariffs	Tariff publication	
		DSP	Non-DSP
Standard Tariffs ("ST")	Permanent Tariffs	Y	Y
	Promotional Tariffs	Y	Y

Tariff Category	Types of Tariffs	Tariff publication	
		DSP	Non-DSP
	Loyalty Program	Y	Y
Below the Line Tariffs ("BTLT")	Promotional Tariffs	(n/a)	N
Bespoke Tariffs ("BT")	Permanent Tariffs	<del>Y</del>	<del>Y</del>

Table 6: Tariffs which must be published by the SP

51. The Tariff available on the SP's website must be written in plain language, clear, legible and easily understood by Customers.

52. A Tariff will be considered void if the Tariff is not introduced in the market within 3 months from the approval/notification date. A new Tariff Filing will be required after this period.

53. The SP must ensure that all changes thereof a Tariff are successfully communicated to affected Customers.

In the RTI consulted on, the 3 clauses above were in Section 4, obligations on DSPs. However they are applicable to all SPs.

46-54. For all post-paid Customers, the SP must state clearly on the first page of their bill/invoice:

46-454.1 For DSPs:

*The underlying Tariff has been explicitly approved by the Communications Regulatory Authority ~~on //date//~~. The underlying regulatory Tariff Document ~~//Tariff Number and name//~~ can be found on //insert web link to the regulatory page of the SP// along with the Tariff Number and Tariff Effective Date.*

46-254.2 For non-DSPs:

*The underlying Tariff has been filed with the Communications Regulatory Authority ~~on //date//~~. The underlying regulatory Tariff Document ~~//Tariff Number and name//~~ can be found on //insert web link to the regulatory page of the SP// along with the Tariff Number and Tariff Effective Date.*

The CRA may move this item to the forthcoming Customer Protection Regulation ("CPR") which may include more details relating to the publication of Tariffs

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### 3.5 Promotional Offers: duration and repetition

47-55. SPs must:

47-455.1 Limit promotions to a maximum of three months;

47-255.2 Ensure that Promotional Offers do not tie or lock-in Customers to long-term contracts.

48-56. SPs must not repeat promotions for the same Tariff until 6 months after the initial promotion has expired. This applies to the underlying Tariff item or items that is/are subject to the initial promotion (i.e. at destination level, mobile data or connection charge).

49-57. Overlapping promotions, i.e. where a Tariff item is affected (reduced) more than once due to the effect of a promotion, are not permissible.

### 3.6 General Terms and Conditions (“GT&C”)

~~50-58.~~ General Terms & Conditions are the terms and conditions applicable for a group of Tariffs. These are typically set for Residential and Business Customers like “General Terms and Conditions for Consumer Services” or “Master Services Agreement for Business.

~~51-59.~~ All ~~new~~ GT&C and modifications/changes to existing GT&C must be:

~~51-59.1~~ Filed with the CRA for pre-approval by sending it to [tariffs@cra.gov.qa](mailto:tariffs@cra.gov.qa):

- (a) The CRA will have 10 working days to (a) approve or (b) object to the GT&C or (c) extend the period for review;
- (b) If the CRA decides to extend the 10 working day review period it shall notify the SP in writing and shall specify the concerns, procedures and timetable for the extended GT&C review, including any consultation or other relevant process with respect thereto, in accordance with the ARF or as determined by the CRA;
- (c) Within the 10-working day review period, the CRA may also request in writing further information from the SP in relation to the GT&C. A request for further information, including meetings to discuss the GT&C, will stop the 10-working day countdown. The 10-working day countdown will start with day 1 once the additional information has been received by the CRA in its complete form as requested by the CRA;
- (d) If a request from information from the CRA contains a response deadline, any request for an extension of this deadline by a SP must be accompanied by a convincing justification and filed at least five (5) working days before the expiry of the original deadline.

~~52-60.~~ The approval of the proposed GT&C will be communicated in writing to the SP.

~~52-60.1~~ Once approved, the GT&C must be published on the SP’s website in an easy-to-find location.

~~53-61.~~ The GT&C must be written in plain language, clear, legible and easily understood by a typical Customer.

~~54-62.~~ A GT&C approval will be considered void if the GT&C are not introduced in the market within 3 months from the approval date. A new GT&C filing will be required after this period.

~~55-63.~~ The SP must ensure that new GT&C or changes thereof are successfully communicated to affected Customers ~~in compliance with the terms included in the Customer Protection Policy.~~

### 3.7 Non-Discrimination

~~56.~~ ~~Notwithstanding the relevant clauses of Section 3.8, a~~ SP shall not afford any undue preference to, or exercise undue discrimination against, a particular Customer or a group of Customers of any class or description. \_\_\_\_\_

The CRA may move this section to the forthcoming CPR. However, for the purpose of consistency between GT&C and specific terms and conditions, the CRA will require that whenever the GT&C are changed and submitted to the CRA for approval a copy of the GT&C is also sent to the email address [tariffs@cra.gov.qa](mailto:tariffs@cra.gov.qa). More details relating to GT&C may be included in the forthcoming CPR

~~57-64.~~ This means that any Standard Tariff or discount must be available to all Customers or groups of Customers meeting the qualifying criteria as specified in the Tariff Document.

~~58-65.~~ In particular when offering a Standard Tariff to a particular Customer or group of Customers:

~~58-65.1~~ The Tariff must be filed with the CRA in a Tariff Filing;

~~58-65.2~~ The Tariff Document must contain a description of the specific criteria that qualifies a Customer or group of Customers to receive the Tariff;

~~58-65.3~~ The Tariff Document associated with the Tariff must be published as per the requirements of this RTI.

~~59-66.~~ In addition, a DSP shall also submit sufficient justifications regarding any discrimination and must cease the discrimination upon receipt of a notice in this regard from the CRA (ref. section ~~4.14.14.1.1~~ and ~~4.24.24.2.2~~).

### 3.8 Discounts for Standard Tariffs

~~60-67.~~ SPs may offer discounts to any market sector in Qatar<sup>22</sup>.

~~In all instances, the~~  
~~68.~~ ~~The~~ —maximum permissible discount that may be offered by a SP ~~without justification, is~~ twenty per cent (20%) of the approved Standard Permanent Tariff already introduced in the market. ~~Tariff for telecommunications services is twenty per cent (20%) of the approved Standard Tariff.~~

This limit is based on CRA understanding of the profitability of the SPs. With this limit the CRA is of the view that proposed prices 1) proposed prices will not be below costs 2) proposed prices will be replicable by the competitors 3) SPs could move towards efficient headline prices. To be more competitive with discounts, SPs are always welcome to lower their headline prices (i.e. introduce a new Standard Tariffs). This will benefit all customers and not only those with a high(er) bargaining power.

~~69.~~ The discounts can be offered on a permanent or promotional basis (ref. Section ~~3.53.53.5~~).

~~In case of an offer to Hotels this would e.g. mean that a SP can offer 10% for "Red Hotels" and 15% discount for "Green Hotels" without justification (e.g. demonstrating Non-Discrimination).~~

~~64.~~ ~~For the avoidance of doubt SPs, if SPs wish to test the market, they may offer promotions with a higher discount higher than 20% and then introduce Permanent Standard Tariff with this lower charges.~~

~~62-70.~~ ~~In addition, a DSPs shall also~~ submit sufficient justifications that the discount is above cost regarding the discounts and must cease them upon receipt of an Order in this regard from the CRA (ref. section 4.1 Tariffs – Filing and 4.2 Tariffs – Review and Approval ~~Tariffs – Review and Approval~~ ~~Tariffs – Review and Approval~~ ~~Tariffs – Review and Approval~~).

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<sup>22</sup> For avoidance of doubt, this includes the educational, charity, special needs and disability sectors.



<u>Other T&amp;Cs different from those approved</u>	<u>Y/N - are there any other terms in the customer contract, which are not in line with the approved contract?</u>	<u>N</u>
<u>Which ones</u>	<u>If "Other T&amp;Cs as approved" is N, then list them here</u>	<u>Minimum Service Period</u>

*Table 7 Report on illegal discounts*

- 75. The Report must be submitted via the email address [tariffs@cra.gov.ga](mailto:tariffs@cra.gov.ga).
- 76. The Report must be signed off by the Chief Executive Officer, or - if not available - by a person duly authorized to sign on his behalf.
- 77. The report shall continue to be delivered to the CRA on a monthly basis until all Illegal Discounts have been removed.
- 78. If SPs have any questions regarding the Report, they must raise these within 5 working days from the effective date of this RTI.
- ~~3. reporting within 10 working days, plants comply.~~
- ~~3. The Illegal Discount cannot be renewed, and the Customer must be migrated to the relevant Tariffs approved by/filed with the CRA.~~

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### **3.113.9 Minimum Service Period, Commitment period and Cancellation Policy**

- ~~67-79.~~ SPs are subject to the Minimum Service Period of no longer than three months, unless a sufficient justification<sup>23</sup> is provided in a Tariff Filing demonstrating the need for a longer Minimum Service Period.
- ~~68-80.~~ In the event a Retail Customer wishes to cancel the subscribed service within the Minimum Service Period, SPs are entitled to collect the remaining fixed monthly charges of their Minimum Service Period. This clause does not apply if the SP changes the terms and conditions of a contract and, as a consequence, the Customer wishes to cancel the service whilst in the Minimum Service Period.
- ~~69-81.~~ SPs must not provide any additional benefit (i.e. devices for free, rebates, etc.) for an extended contract period and Customers must be entitled to terminate their service without any penalty/payment after their Minimum Service Period is complete.

### **3.123.10 Minimum Validity Period of Credit**

~~70-82.~~ SPs must ensure the Minimum Validity of credit as follows:

The CRA may move this section to the forthcoming **CPR Consumer Protection Policy**. More details relating to the Minimum Validity of credit could be included in the CPR which at the time of the introduction of this RTI is under review by the CRA

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Credit	Duration	Explanation
Less than or equal to QAR 10	30 calendar days or longer	Including, but not limited to, pre-paid products vouchers, top up credit.
Standard credit validity	6 months or longer	

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<sup>23</sup> Such as, for example, detailed evidence of investments dedicated to the customers that need to be recovered in a longer period otherwise will become sunk costs).

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~~83. For avoidance of doubts, this~~ This applies to the credit and excludes the minimum duration of the services (e.g. one day or one week mobile Internet packs, Add-ons/boosters, etc.) which can be lower.

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### 3.133.11 On-Net/Off-Net Pricing Differentials

~~74.84.~~ SPs must not apply any on-net/off-net price differentiation, unless objectively justified and approved by the CRA. This means that a unit of service, which includes voice and video calls, SMS, MMS and other services, made from the SP network to another SP's network must be charged at the same amount as a unit of service inside the SP's network. This also means that if units of service (e.g. call minutes) are included in a permanent bundle, these units of service must be available on-net and off-net.

### 3.143.12 Handsets and Customer Premise Equipment ("CPE")

#### 3.14.13.12.1 Handset Subsidy and SIM Locking

~~72.85.~~ SPs shall not subsidize devices or engage in "SIM locking". SPs are free to sell devices on an instalment or amortized basis and unbundled from telecommunications services. This can be achieved by e.g. a separate contract being taken out for a device and paid for in periodic arrears. This contract must not be bundled with the underlying telecommunication service. SPs are therefore not permitted to:

~~72.185.1~~ Subsidize any mobile device;

~~72.285.2~~ "Lock" a device so that it can only be used with the SP's ~~own (physical or e-)~~ SIM cards.

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#### 3.14.23.12.2 Network Specific CPE Subsidies

~~73.86.~~ SPs may provide equipment necessary for the provision of services (as an integral part of the service) and which are not available in the open market without a separate charge. This would typically include devices such as an Optical Network Terminal for fiber broadband.

#### 3.14.33.12.3 Non-Network Specific CPE

~~74.87.~~ SPs must include the price of any CPE in a Tariff that is provided to Customers free of charge, but which may be charged for if the Retail Customer cancels within the minimum service period and fails to return the CPE.

### 3.153.13 Easy To Remember Numbers

~~75.88.~~ SPs are entitled to charge "easy to remember" (ETR) / "premium numbers" on condition that all charges will go entirely to charities / Corporate Social Responsibility (CSR) purposes. The SPs must maintain a record of this at all times for audit purposes by the CRA.

The CRA may move this section to the forthcoming National Numbering Plan. More details relating to the easy to remember premium numbers could be included in the CRA Numbering Policy.

### 3.163.14 Geographic Differentiation of Charges

~~76.89.~~ Unless specifically approved by the CRA, SPs must provide only uniform pricing within Qatar.

| ~~77-90. For the avoidance of doubt,~~ This includes Promotional Offers and potential “cell based charging”.

## 4 Provisions specifically for DSPs

~~78-91.~~ The following provisions are additional to those included in Section ~~3 above~~<sup>3 above</sup>~~3 above~~<sup>3 above</sup>.

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### 4.1 Tariffs – Filing

~~79-92.~~ All Tariffs that contain a service or service elements that fall within a Relevant Market in which a SP has been designated as dominant must be filed and explicitly approved by the CRA in advance of being made available to Customers.

~~80-93.~~ A DSP is obliged to file their proposed Tariffs as listed in ~~Table 4~~<sup>Table 4</sup>~~Table 4~~<sup>Table 4</sup> above in a Tariff Filing, which must include:

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~~80-193.1~~ The Tariff Document in a form as per ~~Annex III~~<sup>Annex III</sup>~~Annex III~~<sup>Annex III</sup> of this RTI;

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~~80-293.2~~ Cost justification, demonstrating the absence of anti-competitive conduct<sup>24</sup>, which includes e.g. pricing below cost<sup>25</sup> or excessive pricing<sup>26</sup>. A cost justification must include as a minimum

- (a) Revenue information – a detailed breakdown of the revenue components (e.g. connection, subscription, usage) of the Retail Offer, including the number of Customers supposed to subscribe the Tariff;
- (b) Cost Information - a detailed breakdown of the cost components (e.g. network, retail, termination etc.) of the Retail Offer; and
- (c) The number of Customers subscribed to the Telecommunications Service.

Any cost information must be based on a reliable source such as the approved Regulatory Accounting System. The cost information must be based on the applicable cost base and cost standard as approved by the CRA. In the absence of reliable cost information the CRA may chose appropriate proxies and benchmarks.

~~80-393.3~~ Proof, that the DSP has provided or will be providing (a) corresponding wholesale service(s) to the Retail Offer in order to enable other SPs to replicate the Retail Offer of the DSP. The CRA will weight up the relevance of this requirement in terms of advantages and disadvantages for Customers and competition for each Tariff Filing by a DSP;

~~80-493.4~~ All other information specifically required as per this RTI.

### 4.2 Tariffs – Review and Approval

~~81-94.~~ The CRA will review the Tariff Filing to ensure that it complies with the ARF in general and the requirements of this RTI in particular.

~~82-95.~~ The review will be based on, amongst others, but not limited to:

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<sup>24</sup> E.g. Article (43)6, 7 and 9 of the Telecommunications Law. Under these provisions, it is prohibited for a DSP to supply competitive telecommunications services at prices below long run incremental costs or any other cost standard specified by CRA. In addition, Article (43) of the Telecommunications Law states specifically: 6 - Supplying competitive telecommunications services at prices below long run incremental costs or any other cost standard specified by the General Secretariat. 7- Using revenues or transferring a part of cost of a specific Telecommunications Service to subsidize another Telecommunications Service supplied 9- Performing any actions that have the effect of substantially lessening competition in any telecommunications market. Also ref. to Competition Policy - Explanatory Document dated October 21, 2015, Section 2 and 3

<sup>25</sup> ibid

<sup>26</sup> Article (29) of the Telecommunications Law. The tariff for telecommunications services provided by dominant service providers must be based on the cost of efficient service provision and the tariff must not contain any excessive charges which result from the dominant position that the service provider enjoys.

- ~~82-195.1~~ Information submitted as part of the Tariff Filing;
- ~~82-295.2~~ Other official submissions to the CRA by the DSP such as the Regulatory Accounting System, MDDD reports, profitability reports etc.; and
- ~~82-395.3~~ Any other information the CRA deems necessary to assess the validity of the Tariff Filing (e.g. benchmarks etc.).
- ~~83-96.~~ Once a complete Tariff Filing has been received, the CRA will have 10 working days to (a) approve or (b) object to the Tariff or (c) extend the period for review.
- ~~84-97.~~ If the CRA decides to extend the 10 working days review period it shall notify the DSP in writing and shall specify the concerns, procedures and timetable for the extended Tariff review.
- ~~85-98.~~ Within the 10 working days review period the CRA may also request in writing further information from the DSP in relation to the Tariff Filing. A request for further information, including meetings to discuss the Tariff Filing, will stop the 10-working day countdown. The 10-working day countdown will re-start once the additional information has been received by the CRA in its complete form as requested by the CRA.
- ~~86-99.~~ If a request for information from the CRA contains a response deadline, any request for an extension of this deadline by a DSP must be accompanied by a convincing justification and filed at least five working days before the expiry of the original deadline.
- ~~87-100.~~ Information may be exchanged in a Tariff meeting that may alter the CRA's understanding of a Tariff. This information does not need to be re-submitted in a formal Tariff Filing, but must be captured in minutes of the meeting.
- ~~88-101.~~ The approval of the proposed Tariff will be communicated in writing to the DSP.
- ~~89.~~ A Tariff approval will be considered void if the Tariff is not introduced in the market within 3 months from the approval date. A new Tariff Filing will be required after this period.
- ~~102.~~ In case of approval of Bespoke Tariff the SP may apply for a "Fast Track" procedure will apply. This procedure, which will follow clauses ~~949494828290~~ to ~~1119090~~ above but with a timeline of 5 (five) working days applies.
- ~~90-103.~~ If concerns regarding a Tariff arise after it has been approved by the CRA and introduced in the market, the CRA may initiate an ex-post review of the Tariff.
- ~~94-104.~~ If due to concerns, the CRA declines to approve a proposed Tariff, it will inform the DSP within the 10 working days review period of the reasons for such a decision in writing.

### 4.3 Bundles

- ~~92-105.~~ Typically, any bundle offered by the DSP must be capable of being replicated by other SPs. Accordingly, DSPs must:
- ~~92-105.1~~ Ensure that wholesale products are offered to other SPs that enable the provision of the same services (as the DSP); and
- ~~92-105.2~~ Demonstrate that other SPs can replicate a bundled Retail Offer using either its own network or wholesale products currently provided, by the DSP.
- ~~93-106.~~ The DSP may be required by the CRA to also offer separately the individual service elements of the bundle.

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## 5 Provisions specifically for non-DSP

~~94-107.~~ The following provisions are additional to those included in section ~~3 above~~  
~~above3 above3 above.~~

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### 5.1 Tariffs – Filing and Review

~~108.~~ The CRA will verify that the Tariff Filing is consistent with the ARF in general and the requirements set out in this RTI.

~~95-109.~~ The Tariff Filing must be sent to the CRA on the day of the launch of the Tariff at the latest.

~~96-110.~~ Once a complete Tariff Filing has been received, the CRA will have 10 working days to (a) object to the Tariff and order its suspension, modification or withdrawal, or (b) extend the period for review.

~~97-111.~~ If the CRA decides that an extended review of a proposed Tariff is necessary, it shall notify the SP in writing and shall specify the procedures and timetable for the Tariff review.

~~98-112.~~ If a request from information from the CRA contains a response deadline. Any request for an extension of this deadline by a non-DSP must be accompanied by a convincing justification and filed at least 5 working days before the expiry of the original deadline.

~~99-113.~~ Information may be exchanged in a Tariff meeting that may alter the CRA's understanding of a Tariff. This information does not need to be re-submitted in a formal Tariff Filing but should be captured in appropriate minutes drafted by the CRA.

~~100-114.~~ If the concerns are not addressed to the CRA's satisfaction, the CRA may request that the non-DSP withdraw the Tariff.

~~101-115.~~ If after launch there are concerns that the tariff does not adhere to the ARF the CRA may initiate an ex-post review of the Tariff.

## 6 Compliance, Monitoring, Enforcement and Review

### 6.1 Compliance

~~402-116.~~ The SP must comply fully with any and all procedures related with Tariffs as established in the ARF.

### 6.2 Monitoring

~~403-117.~~ The CRA will monitor that the compliance of the SPs with this RTI, specifically but not limited to, against the following criteria:

~~403-117.1~~ Introduction of Tariffs neither filed nor approved nor published by the SPs in the market;

~~403-2117.2~~ Consistency of the published Tariff Documents with those filed for / approved by the CRA;

~~403-3117.3~~ Refusal to provide required information; and

~~403-4117.4~~ Delays in submitting required information.

~~404-118.~~ Monitoring will be carried out, specifically but not limited to:

~~404-118.1~~ Checking the section of SPs' website where the commercial offers and Tariff Documents are published;

~~404-2118.2~~ Review of the completeness of the required information; and

~~404-3118.3~~ Investigations performed by the CRA.

### 6.3 Enforcement

~~405-119.~~ In the event of non-compliance, it shall result in one or a combination of the following enforcement provisions as stipulated under the Telecommunication Law:

~~405-119.1~~ Invoking the provisions of chapter sixteen (16) of the Law, whereby the SP shall be subject to criminal prosecution as a form of punishment for non-compliance with the relevant provisions of the Law and its license;

~~405-2119.2~~ Invoking the provision of Article 62-bis of the Telecommunication Law, whereby non-compliance is punishable with the imposition of one or more of the administrative penalties that are set out in Schedule 1 of the Law;

~~406-120.~~ In addition to the above, the CRA shall take adequate actions to protect the Customers, including but not limited to:

~~406-1120.1~~ Ordering non-DPS to have their Tariffs pre-approved by the CRA;

~~406-2120.2~~ Ordering SPs to cease offering BTLTs;

~~406-3120.3~~ Issuance of an Order to officially withdraw the Tariff, which could for a number of reasons ranging from misleading published GT&C to failure to file the Tariff prior to its introduction; compensation to the affected Customers may be also required;

~~406-4120.4~~ Issuance of an Order obliging the SPs to provide illegal telecommunications service for free to affected Customers until the expiry date of the contract.

### 6.4 Review

~~407-121.~~ This RTI may be reviewed by the CRA from time to time to ensure it remains relevant to developments in the market.

## Annex I Glossary, Acronyms and Abbreviations

The terms, words and phrases used in this RTI shall have the same meaning as are ascribed to them in the ARF unless this RTI expressly provide for otherwise, or the context in which those terms, words and phrases are used in this RTI require it.

### **ARF**

Applicable Regulatory Framework, 4, 8, 24

Applicable Regulatory Framework - has the meaning given to it in the Individual Licenses held by the Service Providers., 4, 7, 14, 19, 21, 22, 23

### **BT**

A Permanent Tariff made available by a SP to a specific Customer or group of Customers (and not accessible to all Customers), 9, 13

### **BTLT**

A Promotional Tariff, made available by a non-DSP to a specific Customer or group of Customers (and not accessible to all Customers). A BTLT must be of negligible value and therefore by its nature does not adversely affect competition., 9, 10, 13

### **CPE**

Customer Premise Equipment, 17

### **CRA**

Communications Regulatory Authority, 4, 5, 6, 7, 8, 10, 12, 14, 15, 17, 18, 19, 20, 21, 22

### **Customer**

Means any subscriber or user of retail services sold by the Service Providers, whether such services are acquired for the customer's own use or for resale (ref CPP), 5, 10, 11, 13, 14, 15, 16, 17, 26

### **DSP**

Dominant Service Provider, 4

### **GT&C**

General Terms & Conditions are the terms and conditions applicable for a group of Tariffs. These are typically set for Residential and Business Customers like "General Terms and Conditions for Consumer Services" or "Master Services Agreement for Business., 8, 13, 14, 22

### **License**

has the meaning given to it in Article 1 of the Telecommunications Law., 7

### **Licensees**

Individually Licensed Service Providers, 4

### **Loyalty Programs**

Promotions and incentives granted by SPs to Customers depending on the Customer's usage patterns of the services. The aim of such programs is to reward Customers for their usage, which in turn can increase the Customer's loyalty, 9

Promotions and incentives granted by SPs to Customers depending on the Customer's usage patterns of the services. The aim of such programs is to reward Customers for their usage, which in turn can increase the Customer's loyalty., 10

### **MDDD**

Market Definition and Dominance Designation, 20

### **Minimum Service Period**

Means the minimum contracted period agreed to by a Customer for telecommunications services from a Service Provider, after which no fees are payable for the termination of the contract by the Customer (ref CPP), 16

### **non-DSP**

non - Dominant Service Provider, 4

### **Permanent Tariff**

A Tariff, which is intended to be available to Customers on a non-time limited basis, 9

### **Relevant Market**

The Relevant Markets as defined by the MDDD process., 19

### **Retail Offer**

Means a current retail telecommunications service that is available for consumer subscription and includes, without limitation, such offers as advertised (ref. CPP), 10, 11, 19, 20, 26

### **RTI**

Retail Tariff Instruction, 1, 4, 5, 8, 10, 12, 15, 19, 21, 22, 23, 27

### **Service Provider**

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Has the meaning given to it in Article 1 of the Telecommunications Law, 4, 6, 26

**SIM**

Subscriber Identity Module, 17

**SP**

Service Provider, 6, 7, 8, 10, 12, 13, 14, 15, 16, 17, 19, 21, 22, 26

**SPs**

Licensed Service Providers, 4

**ST, 10, 13**

**ST** Standard Tariff A Tariff made available by a SP to all Customers (i.e. all business

and residential) or groups of Customers (i.e. all business or all residential)., 9

**Tariff**

Any statement of prices, rates, charges or other compensation of any form (including related service descriptions or terms and conditions such as rebates, waivers or discounts) offered by a Service Provider regarding any of its services., 1, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 19, 20, 21, 22, 26, 27



## Annex II Tables

<a href="#">Table 1: Key obligations of SPs regarding Tariffs .....</a>	<a href="#">10</a>
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## Annex III Tariff Document - Template

### General Tariff Information

Service Provider Name	Name of Service Provider
Tariff Number	A unique number for identifying this Tariff (To be created by the Service Provider)
Marketing Name of the Retail Offer	Generic name (e.g. post-paid mobile) and/or brand name (e.g. Shahry)
Relevant Markets	<del>The Relevant Market(s) in which the Tariff will be offered according to the MDD</del>
Tariff Type	<del>Permanent / Promotion / Bespoke Residential or Business</del>
Duration	<del>[for Promotion only]</del>
Customer Group	<del>Residential or Business</del>
Tariff Effective Date	Availability to Customers
Tariff Version Number	To be created by Service Provider (promotions are suffixed)

### Tariff Details

Definitions	Definitions of terms used in this Tariff Document	<u>Applicable to</u> <ul style="list-style-type: none"> <li>Permanent</li> <li>Promotion</li> <li>Bespoke</li> </ul>
Tariff Terms and Conditions	Service specific terms and conditions	<u>Applicable to</u> <ul style="list-style-type: none"> <li>Permanent</li> <li>Promotion</li> <li>Bespoke</li> </ul>
Service Description and Features	A clear product description of the Service being offered with respect to what the Tariff proposes to deliver to Customers	<u>Applicable to</u> <ul style="list-style-type: none"> <li>Permanent</li> <li>Promotion</li> <li>Bespoke</li> </ul>
Features		
Charge Rates	All the Charges Rates must be in QAR, including all taxes, levies, etc.	<u>Applicable to</u> <ul style="list-style-type: none"> <li>Permanent</li> <li>Promotion</li> <li>Bespoke</li> </ul>
Service Provider obligations	Which are not included in the SP's General Terms and Conditions, such as service availability and limitations – availability, maximum downtime, mean-time-to-repair, quality of service, speed, throughput, technical and geographical limitations.	<u>Applicable to</u> <ul style="list-style-type: none"> <li>Permanent</li> <li>Bespoke</li> </ul>
Customer obligations	Which are not included in the SP's General Terms and Conditions	<u>Applicable to</u> <ul style="list-style-type: none"> <li>Permanent</li> <li>Bespoke</li> </ul>
Equipment and technical interfaces <del>{for Business Tariffs only}</del>	Equipment owned/leased and supplied by the Service Provider, equipment provided by the customer, service demarcation point, standards/specifications of service interfaces.	<u>Applicable to</u> <ul style="list-style-type: none"> <li>Permanent</li> <li>Bespoke</li> </ul> <del>{for Business Tariffs only}</del>
Service Level Agreement <del>{for Business Tariffs only}</del>	Including measurable QoS Parameters. For example, service availability and limitations – availability, maximum downtime, mean-time-to-repair, quality of service, speed, throughput, technical and geographical limitations.	<u>Applicable to</u> <ul style="list-style-type: none"> <li>Permanent</li> <li>Bespoke</li> </ul> <del>{for Business Tariffs only}</del>
Criteria for Customers/ Group of Customers to		<u>If needed applicable to</u> <ul style="list-style-type: none"> <li>Permanent</li> </ul>

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access the Tariff (if required) refer to Sections <a href="#">3.73-73.73.73.73.7</a> and <a href="#">3.83-83.83.83.83.8</a>		• <a href="#">Promotion</a>
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### Tariff Version Control

[for Permanent Tariffs]

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Tariff Version Number	Approval Date	Effective Date	Tariff Modifications
1.00	11 Aug 2008	18 Aug 2008	New Tariff
1.01	01 Sep2008	10 Sep 2008	Local call price increase (4.1)
<del>1.01a</del>	<del>06-Oct-2008</del>	<del>09-Oct-2008</del>	<del>July promotion for 8 weeks</del>

\*\*\* End of the RTI \*\*\*

**NON CONFIDENTIAL VERSION**



**Ooredoo Positions Regarding CRA Final Proposals for a new  
RTI**

**RETAIL TARIFF INSTRUCTION (RTI) FOR INDIVIDUALLY LICENSED  
SERVICE PROVIDERS  
DRAFT SANITY CHECK**

Communications Regulatory Authority Reference [CRARAC October 2018]

Ooredoo reference: [OQ-5942/2018]

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## Introduction

Ooredoo responses and positions contained herein should be read in conjunction with our responses to Consultation Documents 1 & 2 (hereinafter referred to as CD1&2) regarding the CRA's new proposals and amendments to its Retail Tariff Instructions (RTI). Our responses and established positions in this document are in chronological order following the format of the CRA RTI document.

According to standard regulatory practices, Ooredoo expects that the CRA's final RTI is confined to the true scope of tariff regulation as described in the Telecoms Law and its Bylaw. There is no legal basis for using tariff regulations for example as means to address issues regarding non-tariffs.

We also ask the CRA to carefully review its proposals to ensure that they are fit for purpose and hence actually remedy problems harming the growth of the sector and consumer welfare. The lack of any evidence of harm or empirical evidence to support the regulations under review gives the impression that the CRA acts in its own interests regardless of the cost and/or impact on service providers and their customers or even the feasibility of implementation.

For avoidance of any doubt, Ooredoo cannot comply with regulations that are without legal basis, imposed to create an unlevel playing field among service providers and that attempt to interfere with the market forces of competition.

## Summary

The table below summarizes Ooredoo's high level proposals for tariff regulations. We believe that these positions offer a compromise between proposals made by service providers and the CRA. We also submit that our proposals are practical and feasible, not unduly burdensome and promote competition as the primary force for market adjustments. We believe that these proposals also enable the CRA to promote the investment and delivery of new telecommunications networks and services to the benefit of customers.

Table 1. DSPs in Non-Competitive Markets

DSP - Non Competitive Markets					
Types of Tariffs					
	Standard Tariffs			BTLT	Bespoke
	Permanent	Permanent Discounts	Promotional		
Filing	Y	Y	Y	N/A	Discount Range
Pre-approval	Y	only where greater than 20%	only where greater than 20%	N/A	Discount Range
Publication	Y	Y	Y	N/A	N
Monitoring	Y	Y	Y	N/A	Quarterly Reports

Table 2. Non-DSPs in Competitive Markets and Non-Competitive Markets

Non- DSP - Competitive and Non-Competitive Markets					
Types of Tariffs					
	Standard Tariffs			BTLT	Bespoke
	Permanent	Permanent Discounts	Promotional		
Filing	N	N	N	N	N
Pre-approval	N	N	N	N	N
Publication	Y	Y	Y	N	N
Monitoring	Y	Y	Y	Y	Y

Notes.

1. SPs are not required to file and publish tariffs according to Qatar's legal framework. The CRA's MDDD 2016 Report identifies competitive markets. 2. DSPs to justify discounts greater than 20% in non-competitive markets on the basis that they are above costs.

## Ooredoo Positions

### Part 1: Introduction

**1. Service Provides to ensure regulatory compliance of 3<sup>rd</sup> parties.** The CRA has introduced a new regulation, which was not included as part of CD1 or CD2 in Section 1.1 Objective and Scope. This regulation asks Individual Licensees to take on the CRA's legal

responsibility of ensuring that other providers of telecoms services and products are in compliance with the Applicable Regulatory Framework (ARF). See Section 1.1 para three.

**Position 1.** Ooredoo does not accept such an obligation, which is without any legal basis. The CRA's role as the regulator for the sector is in fact to ensure compliance with the regulatory framework and instead of trying to shift or delegate this responsibility to Licensees, the CRA should publish the guidelines that clarify the telecommunications services and related activities that require an Individual or Class license as per Article 10 of the Telecoms Law and Article 8 of its Bylaw. Furthermore, the Emiri Decision No. 42 of 2014 tasks the CRA's Regulation and Competition Department for the transparent disclosure of licensing activities and forms through its own website and related compliances.

**2. Ad hoc tariff decisions.** It is widely acknowledged that regulations need to be amended from time to time through open consultation processes. However, the CRA's inclusion of an open-ended regulation (i.e. para 1.2.10) that would allow the CRA to make tariff decisions, which are not in accordance with the 'effective' RTI promotes distrust among the parties. Such a practice also negatively impacts investment decisions as service providers cannot anticipate forthcoming regulatory decisions and how they will impact business planning.

Ooredoo can only interpret such a proposal as means for the CRA to abuse its authority in order to make discretionary, ad hoc decisions that cannot be supported by the ARF. For example, as we cannot envision how there could be any retail telecommunications services, which would not be covered by the proposed RTI, we assume this open ended regulation is intended to be used as a means to apply tariff regulations to non-telecommunications services. We also note that the CRA does not include any basis for how it will evaluate these 'new' tariffs which further opens the door to random, biased or undisciplined decision making.

**Position 2.** Where the CRA finds through experience that the RTI is not comprehensive to address all retail telecommunications tariffs, it can amend through a transparent consultative process every 2 to 3 years for example. Ooredoo cannot be expected to support decisions regarding the tariff regulation of retail telecommunications services and especially non-telecommunications services that are not already explained as part of an 'effective' retail tariff instruction.



*Part 3: General Provisions for all Service Providers*

**3. Retail services.** Although the CRA clearly references in para 32 that all “retail services” as defined by the definition of a ‘telecommunications service’ in the Bylaw must be offered pursuant to a tariff, it includes non-telecommunications services as part of its retail tariff regulation. The non-telecommunications services it proposes to regulate under the umbrella of **retail tariff** regulation include General Terms and Conditions of Service, Loyalty Programs, Billing Practices, Easy to Remember Numbers, Minimum Validity Periods of Credit and Wholesale Offers.

**Position 3.** Ooredoo confirms that it does not support regulations other than those pertaining to “retail services” as part of the CRA Retail Tariff Instructions. We refer the CRA to the legal references for tariff regulation provided in Chapter 6 of the Telecoms Law and Chapter 5 of the Bylaw. The CRA’s view that it can include miscellaneous regulations under the umbrella of retail tariff regulations until the appropriate regulations have been developed or amended is an illegitimate use of the ARF.

**4. Loyalty programs.** As discussed above and in our response comments to CD2, the CRA’s attempts to define a loyalty program as a retail tariff is without legal basis. A loyalty program, which is comprised of a constantly changing portfolio of products and services across economic sectors, does not even meet the definition of a telecommunications service under the law. This fact further renders a regulation to file/report such programs as part of retail tariff regulations misplaced. We emphasize that there is nothing preventing Vodafone or other competitors from developing their own rewards program and as such the Ooredoo loyalty program does not adversely impact competition. For the avoidance of doubt, Ooredoo does not agree to any of the CRA’s new proposals for filing of loyalty programs described in para 40. We also inquire whether the CRA has examples of the requirements it is proposing for telecommunications loyalty programs that have been applied to the much more extensive loyalty programs offered by retailers, the banking industry, the airline industry etc. in Qatar.

**Position 4.** This is an unnecessary regulatory burden that is outside the scope of retail tariff instructions. Ooredoo cannot be held in non-compliance for regulations that are not

aligned with the letter and spirit of Qatar's legal framework for the telecommunications sector.

**5. Below the Line Tariffs (BTLT).** The CRA has introduced a new regulation previously not included as part of CD1&2 that requires Service Providers to keep records of the type of offers and incremental revenue they generate for at least 24 months from the date of the introduction of the BTLT with the option of the CRA asking for reports and records to ensure compliance.

**Position 5.** Ooredoo will not inundate staff with unnecessary regulatory obligations that have no clear legal basis or benefit to industry or consumers. This new CRA attempt to introduce ex ante regulation for markets that it has deemed competitive is contrary to all prevailing economic theory as it seeks to control the established competitive, market forces already driving down the price of goods and services. Furthermore, BTLTs in competitive markets are not harmful to competition even where SPs exceed the 5% thresholds set by the CRA. These practices are actually beneficial to consumers. From a practical side, Ooredoo does not have nor will it employ additional staffing resources to tract the incremental revenues for each individual BTLT on a customer level considering the negligible value of such an exercise.

**6(a). Bespoke Offers: non-competitive markets.** As discussed at the meeting with the CRA on the 1<sup>st</sup> of October, Ooredoo agrees to provide the CRA with quarterly reports regarding bespoke offers in non-competitive markets. These reports, where there is Ooredoo management approval, will document the applicable tariffs, the level of discount and the number of companies to receive a specific discount in a given quarter. We also agree to provide a discount range for CRA preapproval that shows the discounts that we will offer as part of these bespoke solutions.<sup>1</sup> We understood from meeting on the 1<sup>st</sup> of October that the CRA would keep this information confidential and Ooredoo would not be required to publish it. Ooredoo, however, is not in a position to support the CRA's proposal for the bespoke tariff regulation as described for the first time in paras 42.1 through 42.5. This proposal also significantly departs from the agreed approach during the October 1<sup>st</sup> meeting.

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<sup>1</sup> This proposal to provide quarterly reports for discounts offered as part of bespoke solutions is still being vetted at higher management levels.



Ooredoo also points out that para 42.1, which implies that a DSP might offer new, unapproved tariffs through a bespoke solution, must be an editing error. DSPs will only offer discounts off of approved tariffs as part of bespoke solutions. Accordingly, the filing obligation should be to file the discount range for the approved tariffs that will be applied to bespoke offers. Considering that Ooredoo agreed to report the discounts applied to bespoke offers on a quarterly basis, we are confused by the reference to a fast track approval process included as part of para 42.1.

**6(b). Bespoke Offers: competitive markets.** Similar to our response above regarding the regulation of BTLTs, economic theory, best practices and plain old common sense guide regulators not to set ex ante regulations for competitive markets. As such, Ooredoo cannot agree with the regulation proposed in 42.2 that requires SPs to file complete bespoke tariffs after contract signature. We also would not be able to comply with such a regulation on a practical level due to a limitation in staffing resources.

Additionally, Ooredoo cannot understand the rationale behind the CRA's introduction of the new regulation (i.e. para 42.5) that will enable it to ask SPs for the full information regarding non-telecommunications services as a means to prevent cross subsidization between telecoms and non-telecoms services. Any concern in this area should be limited to when or whether a DSP offers a tariff for a retail telecommunications service below cost.

We also see no value in filing discounts provided for bespoke solutions immediately after signature of contract for either competitive or non-competitive markets. Firstly, the CRA will have already approved the permanent tariff as well as the discount range for bespoke solutions in non-competitive markets. Secondly, once a contract is signed, Ooredoo will have to honor the discount proposal.

**Position 6.** Ooredoo plans to provide its discount range for bespoke solutions<sup>2</sup> offered on approved permanent tariffs for relevant markets where it is a DSP for CRA preapproval where our management agrees to this proposal. We will also provide quarterly reports that document the application of such discounts for these solutions. We will not provide the complete bespoke solution documentation or other discount reports immediately

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<sup>2</sup> We emphasize again that this commitment is still under review by senior management.



after we have won a bid as such requirements are not fit for purpose. We will also not file discounts offered off of approved tariffs for bespoke solutions in competitive markets. The CRA must rely on ex-post remedies and only where systemic complaints arise regarding bespoke offers in competitive markets.

**7. Tariffs—Review and Approval.** Table 5 in Section 3.3. that indicates the types of tariffs that require explicit CRA pre-approval is confusing as it includes bespoke tariffs and non-retail telecommunications services, i.e. ‘loyalty programs.’ Obviously, loyalty programs must be removed from the table. In terms of bespoke tariff approval, we ask the CRA to clarify that this requirement is a reference to the approval of a discount range for such solutions.

**Position 7.** Ooredoo will only file the discount range (subject to management approval) for bespoke solutions for services in the relevant markets where we are a DSP. In the rare circumstances where we must introduce a new service in order to meet the bidding requirements such as a new broadband speed, which is not currently covered by the applicable permanent tariff, we will price this speed according to the tariff’s price volume (bandwidth) relationship already approved by the CRA.. We will also provide quarterly reports of the discounts offered (subject to management approval) to enable the CRA to ensure compliance with the range of discounts that they have preapproved for these services.

**8. Tariffs-Publication.** Table 6 in Section 3.4 indicates that SPs must publish tariffs for loyalty programs on their websites, which is not possible considering that loyalty programs do not have tariffs. Para 52 shortens the time frame that SPs have to introduce an approved tariff into the market from 6 to 3 months without justification. We also ask the CRA to explain the harm to the market that it is addressing with this new regulation? The regulations to govern billing statements as part of para 54 are outside the scope of tariff regulation and are not feasible as proposed as discussed in our response to CD2.

**8. Position 8.** 1. Ooredoo cannot publish tariffs for its loyalty program as this program does not have tariffs considering that it is not a retail telecommunications service for which there is a charge. The program however is published on our website, which is transparent to all our customers with regular updates. 2. We do not support shortening the period for introducing a tariff into the market by 3 months. SPs should be afforded a period of up to



6 months as is the case today in order to allow for product development particularly needed for the introduction of new services. Furthermore, no information has been provided as to why a period of only 3 months is necessary. 3. We reiterate that Ooredoo will not support regulations outside the scope of tariff regulation that are included as part of the RTI. We will provide comments on such proposals where they are included as part of consultations under the appropriate legal framework.

**9. Promotional Tariffs/Offers.** Ooredoo maintains its position that a regulation that seeks to cap the amount of discounts offered at 20% has no benefit to competition or consumers and in fact negatively impacts the sector. For competitive markets, prescribing a regulatory price floor runs counter to the purpose of the MDDD 2016 and international best practices, which seek to distinguish between markets that are subject to ex ante regulation and those that are not.

Setting artificial discount level thresholds for promotional offers in non-competitive markets also ensures that customers do not benefit from savings, even if offered in the short-term, in markets where there is either no choice of service provider or the choice is limited. DSPs are also discouraged from making investment decisions to support the roll-out of new services as their ability to test market demand at specific price points is not possible.

Irrespective of the fact that the CRA has not provided any empirical analysis, including its methodology, for how it arrived at a discount threshold of 20%, the CRA argument that mandating this discount threshold will force permanent retail prices to come down is an unlikely outcome. A more likely result is price stagnation and stifling new product development thus leading to a less efficient market outcome than that, which would be achieved through competitive market forces. We note that retail prices in mobile markets in Qatar dropped significantly once the CRA stopped enforcing its retail price floor regulation.

**9. Position 9.** Ooredoo cannot see any sector benefit to an ex-ante regulation that establishes an artificial discount price floor for competitive or non-competitive markets. The CRA has already limited promotional offers to 3 months, which cannot be repeated for a period of 6 months. It is within its powers to investigate any promotions that it believes are substantially lessening competition on an ex-post basis. We believe that these



measures provide the CRA with the necessary instruments to protect consumers and guard against anti-competitive practices without interfering with commercial pricing decisions.

**10. General Terms and Conditions (GT&C).** As indicated above Ooredoo will not adhere to the illegitimate use of the ARF, which is proposed as part of Section 3.6, even on an interim basis. General Terms and Conditions which address a wide range of consumer issues do not meet the legal definition of a tariff. Furthermore, the Emiri Decision No. 42 of 2014 gives the responsibility of establishing, implementing and evaluation policies and bylaws pertinent to consumer rights protection to the CRA's Consumer Affairs Department.

**10. Position 10.** The CRA's Consumer Affairs Department has already established an efficient process for working with SPs regarding the approval, amendments and updates to GT&Cs. As far as we are aware, there are no complaints from the parties involved. Where this CRA department seeks to establish consumer protection rules applicable to GT&Cs, Ooredoo will participate as part of a consultation process. We will not accept rules for GT&Cs as part of a tariff regulation even on an interim basis.

**11. Non-discrimination.** Ooredoo is confused by the wording in paras 65.1 through 65.3. The implication of this wording is that 'tariff' and 'tariff document' are different things, which we understand to be one and the same as per the definition of a tariff provided in the Bylaw. As a result, we are not clear on what the CRA is asking for. We are also confused by para 66, which requires DSPs to submit 'sufficient' justification regarding any discrimination without identifying what this justification is.

**Position 11.** The CRA needs to clarify the difference it is making between a tariff and a tariff document. The meaning of what sufficient justification should also be consistent throughout the document, i.e. this justification is explained as a price set above cost in para 70. These clarifications will help avoid any misinterpretations or uneven application of these regulations going forward. The requirement for service providers to ensure that discounts result in prices that are above costs should apply to both SP's and DSP's in competitive and non-competitive markets in accordance with provisions of the Telecoms Law that prohibit the anti-competitive behavior of any service provider. See Articles 41 and 45 of the law that specifically prohibit any service provider or person from anti-competitive practices, which would include pricing below costs.



12. **Discounts.** In Section 3.8, CRA sets a discount threshold, which is effectively a price floor, without substantiation except for a claim that the threshold is based on the “CRA understanding of the profitability of the SPs.” The methodology that the CRA used for determining the profitability levels of SPs has not been disclosed. As far as Ooredoo is aware, regulators **do not set** price controls without first agreeing upon the methodologies for doing so with service providers. Moreover, setting price controls for competitive markets is against regulatory best practices.

12. **Ooredoo Position.** Ooredoo does not agree that the CRA should be setting any price controls without a detailed methodology for doing so and without conducting a robust cost/benefit analysis of their impact. This point is referenced above as part of Position 9. We also request that para 69 of this section is removed considering that service providers use promotional discounts to test the market for price elasticity as well as for non-price related demand parameters. Therefore, we would not necessarily introduce a permanent tariff for a new service at the same price included as part of the promotional tariff. In accordance with our comments made in Position 9, this section should include a provision that allows for any level of discount for promotions as long as such discounts do not result in market prices that are below costs.

13. **Illegal discounts.** This section is confusing and we ask the CRA to clarify which discounts are illegal considering that it plans to:

- pre-approve all discounts up to 20% as part of permanent tariff filings for all markets for retail telecommunications services
- approve discounts greater than 20% as part of permanent tariff filings for non-competitive markets where they are above cost;
- preapprove discounts greater than 20% for promotional offers where they are offered as permanent tariffs for competitive markets
- pre-approve all BTLTs for competitive markets.

13. **Position 13.** Ooredoo’s position is that discounts should be considered illegal only where they are greater than 20% (where the CRA retains this unsubstantiated price floor) for permanent tariffs or bespoke offers and they result in price points that are below costs.



For avoidance of doubt, discounts currently in the market that do not meet conditions of the new RTI cannot be considered illegal unless they also do not meet the conditions of the current RTI, i.e. regulations cannot be imposed retroactively and thus the language of para 73 needs to be adjusted accordingly. Ooredoo also cannot commit to providing the detailed customer information as requested in the table as part of para 74.2 considering that this would be based on the customer's consent. The CRA also does not have the authority to determine which officer from Ooredoo signs correspondence to the CRA. This is an internal matter. In any case, the requirement that the CEO or person duly authorized on his behalf must sign off on reports regarding illegal discount reports is an inappropriate use of such an office. All Ooredoo regulatory correspondence will be signed by our Chief Legal and Regulatory Officer as is the current practice.

**14. Minimum Service Periods, commitment periods and cancellation Policy.** Minimum service periods, commitment periods and cancellation policies are outside the scope of tariff regulation. The CRA has approved Ooredoo's GT&Cs, which address all of these consumer protection issues. Furthermore, the CRA's new proposal that would enable retail customers not to have to pay for services where still under a minimum service period if an SP makes a change to the terms and conditions of a contract is impractical. Customers must acknowledge to pay for services through a minimum service period even where changes are made, which is standard practice for retail telecommunications services worldwide. Service Providers simply cannot be expected to plan needed changes from time to time according to customer subscription dates.

**Ooredoo Position 14.** Customers must be held liable for paying subscription fees through minimum service periods with the exception of price increases. Without such a provision, customers may use changes in terms as a means to escape liability for charges even where the change in terms may have no adverse impact on them. Furthermore, SPs need to be afforded the ability to make changes to terms as necessary to keep pace with changes in the legal environment (e.g. introduction of new laws, i.e. VAT, Privacy Law), new technologies or other terms designed to protect the interests of all parties to a contract. Three months in fact is a very short minimum service period that is unlikely to exact harm from any customer. However, we would allow a customer to cancel their agreement with us where the price of their service increases during the minimum service period and they do not agree to it. In these cases, there would be no penalty for early termination.



**15. Minimum validity Period of Credit.** As indicated in our response to CD2, regulations regarding minimum validity periods of credits are misplaced as part of tariff regulations. However, Ooredoo did explain as part of our response that the ‘consumer’ issue in this regard is twofold:

1. Customers lose their lines where they harbor numbers (especially ETR’s) indefinitely to either keep for relatives or resale for profit and forget to renew their credit
2. Customers harbor numbers indefinitely by topping up with the minimum payment amounts possible, which promotes the inefficient use of numbers.

Ooredoo proposed that remedies to both of these ‘consumer’ issues is to align **credit validity** periods with **line validity** periods. Considering that ARPUs for prepaid numbers are QAR60 per month, there is no economic basis for a regulation that gives 30 days for a QAR10 top-up and 180 days for top ups larger than QAR10. However, Ooredoo may reconsider its position where it is commercially feasible and where the CRA has had hard evidence to support such a regulation. In absence of the latter, Ooredoo advocates that prepaid credit top ups in values of 10 QAR, 50 QAR, 100 QAR should correspond to 10, 50, 100 days of line validity. However, if customers do top up during the line validity period his remaining credit is carried over to the next line validity period. Hence this remedy includes the non-expiry of credit where the customer tops up before the line validity period ends. Ooredoo believes that such a scheme supports the efficient use of lines and numbering resources without extorting excessive spend on customers.

*Section 4 – Provisions specifically for DSPs*

**16. Tariffs—Filing.** The CRA continues to include regulations that link the approval of ‘retail’ tariffs with ‘wholesale’ tariffs. As explained in Ooredoo’s responses to CD1 and CD2, there is no requirement under Qatar’s Telecoms Law or its Bylaw for such a linkage. Accordingly, the CRA has no legal basis for linking the approval of a retail tariff to the availability of a ‘wholesale offer’ in Qatar. As explained previously, the Reference Infrastructure Access Offer (RIAO) does provide competitors with access to duct infrastructure and thus enables them to deploy their own fixed line infrastructure and compete in the fixed telecoms market. The CRA has also added a new regulation to this section in para 93.3. This is another proposal for an open-ended regulation that supports



ad hoc, random regulatory decisions as the “other information that may be specifically required under the RTI” is not specified.

**Position 16.** Ooredoo does not support a regulation that links retail tariff approval to the availability of wholesale offers. We also argue that conditioning approval in this way is more likely to either slow down or completely retard the roll-out of new services to the marketplace.

The information that the CRA may require as part of para 93.3 needs to be clearly specified in this regulation. For example, the CRA should reference the exact sections of the regulation that it is referring to so as to avoid ambiguity for SPs and ad hoc decision making by the CRA.

**17. Tariff Review and Approval.** Para 86.3 is another example of an open-ended regulation that can potentially lead to abuse of the regulatory process. This para enables the CRA for example to ask for ‘any other information it deems necessary to assess the validity of tariffs’. The purpose of the RTI is actually to specify what it is required so that the information required and the procedures to follow are transparent. This frequent insertion of open-ended, non-transparent regulations as part of this RTI implies that the CRA has no intention of following the regulations that it has established and will introduce new ones as it goes along. Para 89 also provides the CRA with another open-ended opportunity to request “further and additional information.”

The CRA has not provided a justification to support its decision to double the time it takes to approve, object or extend the period of tariff review from 5 to 10 days. The CRA has also not indicated how long a DSP has to respond to a CRA information query in this regard. However, the obligation it has introduced for DSPs to ask for extensions to response deadlines 5 days prior to the deadline implies that DSPs have a period of 10 working days to respond to such queries. Furthermore, a timeframe of 10 working days is justified in order to first verify internally if information is available and then to commit the resources necessary to provide it.

The new regulation proposed as part of para 102 referring to approval of bespoke tariffs through a fast track process is contradictory to text under Section 3.2—Tariffs—Filling—that refers to quarterly reports, which was our understanding from the meeting held between Ooredoo and the CRA on the 1<sup>st</sup> of October. Furthermore, we would not



introduce a new tariff as part of a bespoke offer (with the exception explained in the section 7 above). We would offer a discount on an existing approved permanent tariff based on the discount range approved by the CRA. This range will apply above cost pricing criteria. So the requirement of para 102 to file bespoke tariffs under a fast track approval process is not understood nor is it practical as part of a competitive bidding process.

**Ooredoo Position 17.** Ooredoo does not agree to the open regulations introduced in para 86.3 and para 89. All RTI requirements must be transparent from the outset. If the requirements can change as the CRA deems fit, there is arguably no need for an RTI. We therefore ask that para 86.3 is deleted and para 89 is rephrased to clarify that any additional information required will only be for the information already specified in the RTI. Information requirements that are completely transparent as part of the RTI will also limit the occasions where the CRA will need to ask for clarity or for information that should have been included as part of a tariff filing in the first place. This transparency will provide for a more efficient process that speeds decision making. Ooredoo agrees to an SP/DSP response deadline of 10 working days, with the ability to request extensions within the specified period, i.e. within 5 working days of the deadline for information submission. We ask that these time lines are clearly defined in the RTI.

Ooredoo commits to providing quarterly reports where approved by management on the discounts offered on approved tariffs for bespoke solutions in non-competitive markets. Any requirements to get approval for such discounts during the bidding process or directly after we have signed a contract are simply not viable and effectively mean that Ooredoo cannot participate in such bids. We will also submit a discount range for these solutions for CRA approval as discussed above.

18. **Bundles.** Ooredoo's view is that the only relevant consideration regarding the regulation of bundled offers is the potential of such offers to foreclose a market to another SP. In this respect, the CRA should be concerned about whether the price of the bundle is below the combined cost of the bundled service. This is also consistent with the License provision in Annex I (3.4. Anticompetitive Discounts): *"A DSP will not offer a significant discount...that has the effect of foreclosing another licensed service provider from a significant portion of any public telecommunication service market."*

**Ooredoo Position 18.** A tariff involving bundled services should be evaluated against the same anti-competitive criteria as other telecommunications services provided by DSPs, i.e. it should be evaluated based on whether it is below cost, does not cross-subsidize and applies no margin squeeze. Tariffs for bundled services should be approved based on cost information for regulated telecom services and exclusive of any requirements regarding information for non-regulated services or contingent upon requirements related to wholesale regulations.

*Section 6—Compliance, Monitoring, Enforcement and Review*

**19. Enforcement.** Ooredoo strongly objects to the proposal described in para 120.3 that would require an SP to withdraw a Tariff based on publication of misleading GT&Cs. If anything, the Order should actually be to withdraw the GT&Cs if they are in fact misleading by any reasonable determination. Ooredoo is genuinely confused by this CRA linkage which is not referenced under Qatar’s legal framework for telecommunications services and not part of retail tariff regulation.

This section also indicates that the CRA will require SPs to compensate customers. No parameters, methodology, exact circumstances etc....for when or how an SP would be required to compensate customers has been provided. The CRA also threatens to issue other Orders obliging SPs to provide illegal telecommunications services for free to affected customers until the expiry date of their contracts. None of these means of enforcement are supported by the Telecoms Law or its Bylaw.

**Ooredoo Position 19.** Ooredoo’s view is that the CRA must adhere to the provision of Qatar’s legal framework when it comes to the award of financial penalties. These provisions are described in Chapter 15 of the Telecoms Law as amended in 2017.

**20. Glossary, Acronyms and Abbreviations.** The term for ‘General Terms and Conditions’ is inaccurate. General Terms and Conditions are not terms and conditions for tariffs. In fact the terms and conditions of tariffs are tariffs as per the definition in the Bylaw. GT&Cs represent the wider legal contract that governs the relationship between an SP and its customers. Loyalty Programs are not necessarily ‘promotions and incentives’ granted by the SPs to customers. They are in fact rewards programs that are designed to entertain customers, understand their preferences and reward them for their patronage. Lastly a Minimum Service Period is not a period after which **“no fees are payable for the termination of the contract.”** The fees to be paid depend on the contract. For example there may be equipment or international roaming charges still due after the contract termination date. The CRA cannot deprive SPs of their right to recover the costs of the



products and service provided to their customers. The key is that no penalty would be due; not that no fees are payable.

**Ooredoo Position 20.** Ooredoo will not accept the CRA's definitions for GT&Cs, Loyalty Programs and Minimum Service Period. The proposed definitions for GT&Cs and Loyalty Programs are factually incorrect and distort the globally understood meaning and application of such terms. They would also not meet the scrutiny of our legal department and this latter point applies equally to the definition of a 'Minimum Service Period.'

DRAFT SENT TO SPs FOR SANITY CHECK

## Retail Tariff Instruction (“RTI”) for Individually Licensed Service Providers

CRARAC 2018/10/dd  
October dd 2018

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# 1 Introduction

## 1.1 Objective and Scope

1. This Retail Tariff Instruction (“**RTI**”) sets out the procedures and requirements that apply under the Applicable Regulatory Framework (“**ARF**”) in relation to Retail Offers for telecommunications services provided by Service Providers Licensed in Qatar.
2. This RTI applies to Individually Licensed Service Providers (“**SPs**” or “**Licensees**”) who offer telecommunication services to the public, both Dominant Service Providers (“**DSP**”) and non - Dominant Service Providers (“**non-DSPs**”).
3. It is the responsibility of the Licensees to ensure telecommunications products and services sold by associated third parties (such as premium partners) are in compliance with the ARF.
4. This RTI is effective from the date of issuance.
5. This RTI applies to Tariffs, defined in accordance with the Individual Licenses and the Executive By-Law to mean:

*“any statement of prices, rates, charges or other compensation of any form (including related service descriptions or terms and conditions such as rebates, waivers or discounts) offered by a Service Provider regarding any of its services”*
6. Wholesale Tariffs or charge controls for wholesale Tariffs fall outside the scope of this RTI.
7. This RTI must be read in conjunction with the ARF, including amongst others, but not limited to:
  - 7.1 The Statement of Competition Policy and Explanatory Document, dated October 21, 2015<sup>1</sup>;
  - 7.2 The Telecommunications Consumer Protection Policy, issued in January 2014<sup>2</sup>; and
  - 7.3 The Code on Advertising, Marketing and Branding (ref. CRA-CGA/1305/14/ng, issued on September 25, 2014)<sup>3</sup>.
8. This RTI **replaces**:
  - 8.1 All previous versions of the RTI;
  - 8.2 The “Notice Revised Interim Rules for Retail Tariff Assessment”<sup>4</sup>;
  - 8.3 The Order setting forth the rules and instructions for on-net/off-net price differentiation for Dominant Service Providers in Qatar dated 15 May 2011 (ICTRA 2011/05/15); and
  - 8.4 The Annexures relating to Retail Tariffs (Annexure D) of the Individual Licenses.

## 1.2 Background

9. This RTI has been developed by the Communications Regulatory Authority (“**CRA**”), following a consultation process which began in March 2018.

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<sup>1</sup> Available at <http://cra.gov.qa/en/document/documents-related-cras-competition-framework>

<sup>2</sup> Available at <http://cra.gov.qa/en/document/consumer-protection-policy>

<sup>3</sup> Available at <http://cra.gov.qa/en/document/code-advertising-marketing-and-branding>

<sup>4</sup> RA-ASG/02-281211

10. This RTI provides guidance of how the CRA intends to proceed with Tariff reviews and/or approvals in a **typical** case. However, Retail Offers and the associated Tariffs evolve, and this RTI could not be exhaustive. In exceptional cases, where the proposed Tariff is not covered by this RTI, the CRA will provide, a detailed justification for decisions made.

## 2 Legal Basis

### 2.1 The Telecommunications Law issued by Decree No. 34, 2006 (“Telecommunications Law”) as amended by Law No. 17 of 2017

11. Articles 4(4) and 4(8) allow the CRA to set and enforce appropriate remedies to prevent SPs from engaging in or continuing anticompetitive practices and empowers the CRA to safeguard the interests of Customers, including setting rules for Tariff regulation.
12. Article 26 empowers the CRA to determine the elements necessary for the provision of Tariff offers, their approval and publication in respect to telecommunications services. The CRA may also set out other rules for regulating prices and Tariffs including the implementation of any program for rate rebalancing or price cap.
13. Article 28 states:  
*“Dominant service providers must submit to the CRA the offers for the tariffs, prices and charges of the telecommunications services in the markets where they have been designated as dominant service providers and obtain the prior approval for them.”*
14. Article 31 states:  
*“The dominant service provider must not apply or change any tariffs, prices or charges or any other consideration that are contrary to the tariffs approved by the CRA. Any agreement or arrangement between the service provider and the Customer to the contrary is prohibited.”*
15. Article 44 states:  
*“Dominant service providers shall offer equivalent terms and quality of service for all customers including tariffs, and the CRA may permit differing terms if such terms are objectively justified based on differences in supply conditions including different costs, traffic volumes, or shortage of available facilities or resources. This prohibition shall also apply between customers who obtain a service for resale to their end customers. The dominant service provider must submit to the CRA sufficient justifications regarding any discrimination and must cease the discrimination upon receipt of a notice in this regard from the CRA.”*
16. Article 51 (1) states:  
*“The service provider must provide the consumer, before the consumer subscribes to the service or before the consumer incurs any commercial obligation to the service provider, with the terms of the service and any other terms and conditions*

*and all tariffs, rates and costs applicable to any telecommunications service.”*

17. Article 51 (2) states:

*“The service provider shall not charge a consumer except the service fee specified to telecommunications or the specified fee for telecommunications equipment ordered by the consumer. The consumer shall not be liable to pay any fee for any service or equipment relating to telecommunications that the consumer has not ordered.”*

## **2.2 The Executive By-Law of 2009 for the Telecommunications Law (“By-Law”)**

18. Article 1 defines a Tariff as:

*“any statement of prices, rates, charges or other compensation of any form (including related service descriptions or terms and conditions such as rebates, waivers or discounts) offered by a Service Provider regarding any of its services”.*

19. Article 6 empowers the CRA to take measures, actions and decisions, as it deems appropriate to ensure that Individual Licensees and SPs comply with the provisions of the law, the By-law and the provisions of the Individual Licenses or to remedy their breaches.

20. Article 54 provides that the CRA shall have the authority to review all SP Tariffs, including retail Tariffs, and to determine any requirements regarding Tariffs, their approval and publication, and the CRA may issue regulations or orders to regulate the Tariffs of SPs.

21. Article 56, applicable to DSPs, states:

*“Tariffs that are subject to filing with and approval by the CRA shall enter into force only after they have been approved by a decision from the CRA.”*

22. Article 75 states:

*“Dominant Service Providers are prohibited from undertaking any activities or actions that abuse their dominant position. In addition to the conduct and activities specifically identified in Article 43 of the Law, the CRA may prohibit any other action or activities engaged in by a Dominant Service Provider that the CRA determines to have the effect or to be likely to have the effect of substantially lessening competition in any telecommunications market.”*

## **2.3 Emiri Decree No. (42) of 2014 Establishing the Communications Regulatory Authority (“Emiri Decree”)**

23. Article 4 of the Emiri Decree makes the CRA responsible for regulating the communications information technology and the post sector, as well as access to digital media, with the aim of providing advanced and reliable telecommunication services across the State.

24. Article 4(1) empowers the CRA to set Regulatory frameworks for the communications, information technology, the post sector, and access to digital media, in line with the general policies of the sector and to enable optimum performance.

25. Article 4(2) charges the CRA with actions finalized to encourage competition and prohibit or minimize anti-competitive practices, prevent misuse by any person or entity of its market dominance position, and take all necessary measures to achieve this.
26. Article 4(4) requires the CRA to protect the rights and interests of the public and Service Providers in the market, promote transparency and provide advanced, innovative and quality services at affordable prices to meet the needs of the public.
27. Article 15(2) requires the CRA to develop appropriate Tariff regulations, giving priority to the telecommunications market, or telecommunications services according to market requirements, and determine fees for retail and wholesale.

## 2.4 The Individual Licenses issued to Service Providers

28. Clause 3 of the Individual Licenses authorizes the SPs to provide the specified telecommunications networks and services in accordance with the terms and conditions of the Individual Licenses and its annexures, relevant legislation, international treaties, and any regulations, including instructions issued by the CRA before or after the effective date of the Individual Licenses. Accordingly, the CRA may from time to time issue additional requirements as part of the terms and conditions of the Applicable Regulatory Framework (ARF), which are binding on the SPs.
29. Clause 10<sup>5</sup> of the Individual Licenses provide obligations of the SP to Customers. This includes stipulations regarding compliance, billing, and suspension of Mandatory Service.
30. In addition the Licenses require the SPs to:
  - 30.1 Provide services to the Customers in accordance with terms and conditions that comply with the Applicable Regulatory Framework, including, among other things, the Tariff procedures<sup>6</sup>;
  - 30.2 Comply with all decisions and regulations issued by the CRA including but not limited to those governing pricing and Tariffs<sup>7</sup>;
  - 30.3 Not engage in any anticompetitive practices that prevent, hinder or substantially lessen competition, as stipulated in the Applicable Regulatory Framework, including the provisions of Annexure I of their Licenses<sup>8</sup>.

## 2.5 Summary of the Key Obligations

31. The table below summarizes key obligations of the SPs regarding Tariffs in accordance with the ARF.

Obligation	Source of the Obligation	Applicable to	
		DSPs	Non-DSPs
Non-Discrimination	Law: Article (44) Prohibition of unjustified discrimination	Y	n/a

<sup>5</sup> Or Clause 9, depending on the License

<sup>6</sup> Article 10(1) of Ooredoo, Vodafone, Es'hailSat Licenses; Article 9(1) of Qnbn License; Article 9 of Harris Salam, QSAT, and Rignet Licenses

<sup>7</sup> Article 14(1) of Ooredoo, Vodafone, Es'hailSat Licenses; Article 13(1) of Qnbn License; Article 12(1) of Harris Salam, QSAT, and Rignet Licenses

<sup>8</sup> Article 14(3) of Ooredoo, Vodafone, Es'hailSat Licenses; Article 13(3) of Qnbn License; Article 12(3) of Harris Salam, QSAT, and Rignet Licenses

Obligation	Source of the Obligation	Applicable to	
		DSPs	Non-DSPs
	By-Law: (-)	(-)	(-)
	Individual Licenses	(-)	(-)
	This RTI (Section 3.7 and 4.1)	Y	Y
Filing of Tariffs with the CRA	Law: Article (28) Submission of Tariff Offers and Prior Approval	Y	(-)
	By-Law: Article (54) – Authority of the CRA to request filing	Y	Y
	Individual Licenses:	(-)	(-)
	This RTI (Section 3.2 and 4.1)	Y	Y
Approval of Tariffs by the CRA before Tariffs are available to Customers	Law: Article (28) Submission of Tariff Offers and Prior Approval	Y	N
	By-Law: Article (56)	Y	N
	Individual Licenses:	(-)	(-)
	This RTI (Section 3.3 and 4.2)	Y	n/a
Publication of Tariffs	Law: (-)	(-)	(-)
	By-Law: Article (57)	Y	N
	Individual Licenses	(-)	(-)
	This RTI (Section 3.4)	Y	Y

Y yes  
N no  
n/a not applicable  
(-) not included

Table 1: Key obligations of SPs regarding Tariffs

### 3 General Provisions for all Service Providers

32. Except where explicitly stated otherwise, this section sets out provisions for all SPs - both DSPs and non-DSPs.

#### 3.1 Tariffs – General provisions and Taxonomy

33. All retail services<sup>9</sup> must be offered pursuant to a Tariff.

34. For the ease of reference, the following ~~Table 2~~ [Table 2](#) serves as a summary of the most important Tariff processes.

Type of SP Tariff type	DSP			Non-DSP		
	Standard Tariffs <sup>10</sup>	Below the Line Tariffs	Bespoke Tariffs	Standard Tariffs <sup>11</sup>	Below the Line Tariffs	Bespoke Tariffs
Tariff Filing	Y	n/a	Y	Y	N	Y
Approval	Y	n/a	Y	N	N	N
Publication	Y	n/a	N	Y	N	N
Monitoring	Y	n/a	Y	Y	Y	Y

<sup>9</sup> As defined by the By-Law, these entails any retail services offered by the SPs

<sup>10</sup> For the avoidance of doubt, Tariff specific T&Cs are part of the Tariff

<sup>11</sup> *ibid*

Compliance	Y	n/a	Y	Y	Y	Y
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Table 2: Summary of most important Tariff processes

35. The table below displays a taxonomy of Tariffs.

Tariff Category	Definition <sup>12</sup>	Examples	Tariff Type
Standard Tariff ("ST")	A Tariff offered by any SP to all business customers or to all residential customers or to all members of a subgroup of such customers. A ST may include a discount matrix and/or a range of discounts, where the addressable Customers and the criteria are clearly identified.	For example, a standard Tariff may apply to all schools, all SMEs, all retirees etc.	<ul style="list-style-type: none"> <li>• Permanent Tariffs</li> <li>• Promotional Tariffs<sup>13</sup></li> <li>• Loyalty Programs</li> </ul>
Below the Line Tariff ("BTLT") <sup>14</sup>	<p>A Promotional Tariff offered by a non-DSP<sup>15</sup> to a specific customer or group of customers and not accessible to all customers. A BTLT must be of negligible value and therefore by its nature does not adversely affect competition.</p> <p>Within any Relevant Market, in any month, non-DSPs can offer BTLT lower or equal to 5% of the total monthly incremental revenues of the Relevant Market</p>	<p>"call to India for QAR 0.10 if you pay QAR 1 per week extra"</p> <p>"get QAR 10 top-up bonus if you top up with QAR 200 or more"</p>	<ul style="list-style-type: none"> <li>• Promotional Tariffs</li> </ul>
Bespoke Tariff ("BT")	A Permanent Tariff offered by a SP to only a specific customer based on its unique requirements. For its nature, the BT is not accessible to all Customers.	Services offered by a SP in response to a specific request to provide telecommunications services from a Customer (i.e. request for Tender <sup>16</sup> )	<ul style="list-style-type: none"> <li>• Permanent Tariff</li> </ul>

Table 3: Taxonomy of Tariffs

<sup>12</sup> The definition does not differentiate Tariffs according to who the recipients of the offers are. For example, a Tariff could be addressed to all Customers or to only a group of Customers

<sup>13</sup> Refer to section 3.5 [Promotional Offers](#) ~~Promotional Offers~~ which includes further detail on the Promotional Tariffs (e.g. duration)

<sup>14</sup> BTLTs are also called "customer value management" offers

<sup>15</sup> A BTLT can only be offered by a non-DSP.

<sup>16</sup> They could be within a formal or informal bid process.

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### 3.2 Tariffs - Filing

36. The SP must file with the CRA all and any Tariffs as per ~~Table 4~~ Table 4 below

Tariff Category	Types of Tariffs	Filing obligation	
		DSP	Non-DSP
Standard Tariffs ("ST")	Permanent Tariffs	Y	Y
	Promotional Tariffs	Y	Y
	Loyalty Programs	Y <sup>17</sup>	Y <sup>18</sup>
Below the Line Tariffs ("BTLT")	Promotional Tariffs	(n/a)	N
Bespoke Tariffs ("BT")	Permanent Tariffs	Y	Y

Table 4: Tariffs to be filed with the CRA

37. A Tariff Filing must be made for e.g. the following cases:

37.1 New Standard Tariffs and changes thereof, e.g. price increases;

37.2 Withdrawal of Tariffs;

37.3 Loyalty Programs and any changes thereof;

37.4 Bespoke Tariffs, including those offered within Tenders<sup>19</sup>, and any changes thereof;

For the avoidance of doubt, a DSP's Filing of already approved Standard Tariffs– including approved discounts up to 20% - offered within a Bespoke Tariff is not required.

37.5 The Tariffs for services rendered to Customers when outside of Qatar (e.g. roaming and calling cards).

38. The SP must submit a Tariff Filing consisting of:

38.1 The Tariff Document, as per the template set out in Annex III Tariff Document - Template ~~Tariff Document - Template~~;

38.2 Where applicable, the Tariff Document must include a description of the specific criteria that qualifies a Customer or group of Customers for a specific Tariff or discount (refer to Sections 3.7 and 3.8);

38.3 All other information specifically required as per this RTI.

39. SP must ensure that a Tariff Document:

39.1 Is submitted in PDF and/or Word format<sup>20</sup>;

39.2 Is written in plain language and easily understood by a typical Customer;

39.3 Contains and fully discloses in detail:

(a) All terms and conditions of the Retail Offer

(b) All products and services associated with the Retail Offer;

(c) The period of the Tariff;

(d) Whether the Retail Offer is a promotional or permanent offering;

(e) All applicable prices (and the units to which they apply, rounding practices, use of (billing) increments, and any schemes involving promotions, rebates, discounts, waivers or free items;

<sup>17</sup> Quarterly reporting, as detailed in clause 40

<sup>18</sup> Refer to footnote <sup>17</sup>

<sup>19</sup> These are formally offers for carrying out works, supplying goods, etc. They could be within a formal or informal bid process.

<sup>20</sup> For the avoidance of doubt, an e-mail with the relevant Tariff Documents (in track change, in case of changes to an existing Tariff) suffices as a filing. The CRA does not require a cover letter.

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- (f) The period for which the included bundle (e.g. minutes/messages/data allowance ) remains valid, i.e. a monthly package of 10 min for 1 QAR per month must specify whether the 10 minutes will expire after one month, roll over to the second, third etc. month and then expire or continue rolling over as long as the Retail Customer subscribes to the plan;
  - (g) The minimum commitment periods and any cancellation policies;
  - (h) Any other special considerations or other elements of the Retail Offer that are material to the service provided and the consideration to be paid; and
  - (i) Any charges for equipment not subject to Tariff control but which are included as part of the service offered (e.g. additional broadband router).
- 39.4 Where required, all calculations and explanatory documents must be submitted with the Tariff Filing. All calculations must be in Excel format and well documented.
40. For Loyalty Program the CRA requires the SPs to provide a quarterly report. This report must be submitted in Excel to the CRA, on dates corresponding with the MDDD reporting (ref. section 9 of the Order “MDDD 2016 Reporting Notice”, CRA 2017/05/02) For each Loyalty Program, per calendar quarter, the quarterly report must contain:
- 40.1 Number of participants;
  - 40.2 Points accumulated in the calendar quarter;
  - 40.3 Cash value of points accumulated in the quarter;
  - 40.4 Points redeemed via SP in the calendar quarter;
  - 40.5 Cash value of points redeemed via SP in the calendar quarter;
  - 40.6 Points redeemed via third parties in the calendar quarter;
  - 40.7 Cash value of points redeemed via third parties in the calendar quarter;
  - 40.8 Total points accumulated over the history of the program;
  - 40.9 Total cash value of points accumulated over the history of the program;
  - 40.10 Total points redeemed via SP over the history of the program;
  - 40.11 Total cash value of points redeemed via SP over the history of the program;
  - 40.12 Total points redeemed via third parties over the history of the program; and
  - 40.13 Total cash value of points redeemed via third parties over the history of the program.
41. For Below the Line Tariffs:
- 41.1 No filing is required;
  - 41.2 SPs must keep records of the type of offers and incremental revenue they generated for at least for 24 months from the date of the introduction of the BTLT in the market;
  - 41.3 At its own discretion, the CRA may ask for reports and records take any other measure to verify the compliance of the SPs.
42. For Bespoke Tariffs:
- 42.1 DSPs have to file for approval, all previously non-approved Tariffs for telecommunications services contained within a Bespoke Tariff (cf. clause 102 below- fast track). In case they win the bid DSPs must file the complete Bespoke Tariff immediately after the signature of the contract;
  - 42.2 Non-DSPs must file the complete Bespoke Tariff immediately after the signature of the contract;
  - 42.3 The CRA clarifies that the SPs do not have to submit the full tender documents, but only the relevant Tariff Documents and relevant information pertaining to Telecommunication Services.



- 42.4 For confidentiality reasons (i.e. in case of tenders involving security forces, the SPs may omit the name of the contracting entity and summarize the description of the services provided.
- 42.5 The CRA reminds the SPs on the stipulations of cross-subsidization between Telecommunication Services and Non-Telecommunication Services. In this regard the CRA may ask for full information, including also the Non-Telecommunication Services and require the SP to demonstrate the absence of cross-subsidization.
43. All Tariff Filings must be sent to the mail group [tariffs@cra.gov.qa](mailto:tariffs@cra.gov.qa).
44. Failure to comply with the Tariff Filing requirements may result in the CRA not approving the Tariff proposed by the SP.

### 3.3 Tariffs – Review and Approval

45. Explicit pre-approval by the CRA is required as per the ~~Table 5~~ ~~Table-5~~ below. For the avoidance of doubt, this includes new Tariffs, modifications/changes to existing Tariffs and withdrawal of Tariffs.

Tariff Category	Types of Tariffs	Explicit pre-approval required by the CRA	
		DSP	Non-DSP
Standard Tariffs	Permanent Tariffs	Y	N
	Promotional Tariffs	Y	N
	Loyalty Program	N	N
Below the Line Tariffs	Promotional Tariffs	(n/a)	N
Bespoke Tariffs	Permanent Tariffs	Y	N

Table 5 Tariffs requiring explicit approval by the CRA

46. More specifics of the review and/or approval process are detailed in Section 4.2 below for DSPs and in Section 5.1 below for non-DSPs.
47. In general, the communication from the CRA will be by e-mail.
48. In case a SP is uncertain regarding the contents of a Tariff Filing, e.g. a cost justification, criteria for offering a discount, etc., the CRA welcomes a meeting prior to the Tariff Filing in order to ease the process.
49. In case of repeated breaches of the RTI, the CRA may oblige a non-DSP to have its Tariffs pre-approved by the CRA or may oblige a non-DSP to cease offers.

### 3.4 Tariffs – Publication

50. The following Tariffs as per ~~Table 6~~ ~~Table-6~~ below must be published on the SP's website in an easy-to-find location. This includes new Tariffs, modifications/changes to existing Tariffs and withdrawal of Tariffs.

Tariff Category	Types of Tariffs	Tariff publication	
		DSP	Non-DSP
Standard Tariffs ("ST")	Permanent Tariffs	Y	Y
	Promotional Tariffs	Y	Y
	Loyalty Program	Y	Y

Tariff Category	Types of Tariffs	Tariff publication	
		DSP	Non-DSP
Below the Line Tariffs (“BTLT”)	Promotional Tariffs	(n/a)	N
Bespoke Tariffs (“BT”)	Permanent Tariffs	N	N

Table 6 Tariffs which must be published by the SP

51. The Tariff available on the SP’s website must be written in plain language, clear, legible and easily understood by Customers.
52. A Tariff will be considered void if the Tariff is not introduced in the market within 3 months from the approval/notification date. A new Tariff Filing will be required after this period.
53. The SP must ensure that all changes thereof a Tariff are successfully communicated to affected Customers.

In the RTI consulted on, the 3 clauses above were in Section 4, obligations on DSPs. However they are applicable to all SPs.

**Commented [A1]:** Is it sufficient to simply publish on the SP’s web site tariff Pages?

54. For all post-paid Customers, the SP must state clearly on the first page of their bill/invoice:
- 54.1 For DSPs:

*The underlying Tariff has been explicitly approved by the Communications Regulatory Authority. The underlying regulatory Tariff Document can be found on //insert web link to the regulatory page of the SP// along with the Tariff Number and Tariff Effective Date.*

- 54.2 For non-DSPs:

*The underlying Tariff has been filed with the Communications Regulatory Authority. The underlying regulatory Tariff Document can be found on //insert web link to the regulatory page of the SP// along with the Tariff Number and Tariff Effective Date.*

### 3.5 Promotional Offers: duration and repetition

55. SPs must:
  - 55.1 Limit promotions to a maximum of three months;
  - 55.2 Ensure that Promotional Offers do not tie or lock-in Customers to long-term contracts.
56. SPs must not repeat promotions for the same Tariff until 6 months after the initial promotion has expired. This applies to the underlying Tariff item or items that is/are subject to the initial promotion (i.e. at destination level, mobile data or connection charge).
57. Overlapping promotions, i.e. where a Tariff item is affected (reduced) more than once due to the effect of a promotion, are not permissible.

### 3.6 General Terms and Conditions (“GT&C”)

58. General Terms & Conditions are the terms and conditions applicable for a group of Tariffs. These are typically set for Residential and Business Customers like “General Terms and Conditions for Consumer Services” or “Master Services Agreement for Business.
59. All new GT&C and modifications/changes to existing GT&C must be:
- 59.1 Filed with the CRA for pre-approval by sending it to [tariffs@cra.gov.qa](mailto:tariffs@cra.gov.qa):
- (a) The CRA will have 10 working days to (a) approve or (b) object to the GT&C or (c) extend the period for review;
  - (b) If the CRA decides to extend the 10 working day review period it shall notify the SP in writing and shall specify the concerns, procedures and timetable for the extended GT&C review, including any consultation or other relevant process with respect thereto, in accordance with the ARF or as determined by the CRA;
  - (c) Within the 10-working day review period, the CRA may also request in writing further information from the SP in relation to the GT&C. A request for further information, including meetings to discuss the GT&C, will stop the 10-working day countdown. The 10-working day countdown will start with day 1 once the additional information has been received by the CRA in its complete form as requested by the CRA;
  - (d) If a request from information from the CRA contains a response deadline, any request for an extension of this deadline by a SP must be accompanied by a convincing justification and filed at least five (5) working days before the expiry of the original deadline.
60. The approval of the proposed GT&C will be communicated in writing to the SP.
- 60.1 Once approved, the GT&C must be published on the SP’s website in an easy-to-find location.
61. The GT&C must be written in plain language, clear, legible and easily understood by a typical Customer.
62. A GT&C approval will be considered void if the GT&C are not introduced in the market within 3 months from the approval date. A new GT&C filing will be required after this period.
63. The SP must ensure that new GT&C or changes thereof are successfully communicated to affected Customers.

### **3.7 Non-Discrimination**

64. Notwithstanding the relevant clauses of Section 3.8, a SP shall not afford any undue preference to, or exercise undue discrimination against, a particular Customer or a group of Customers of any class or description.  
This means that any Standard Tariff or discount must be available to all Customers or groups of Customers meeting the qualifying criteria as specified in the Tariff Document.
65. In particular when offering a Standard Tariff to a particular Customer or group of Customers:
- 65.1 The Tariff must be filed with the CRA in a Tariff Filing;

- 65.2 The Tariff Document must contain a description of the specific criteria that qualifies a Customer or group of Customers to receive the Tariff;
- 65.3 The Tariff Document associated with the Tariff must be published as per the requirements of this RTI.
- 66. In addition, a DSP shall also submit sufficient justifications regarding any discrimination and must cease the discrimination upon receipt of a notice in this regard from the CRA (ref. section 4.1 and 4.2).

### 3.8 Discounts for Standard Tariffs

- 67. SPs may offer discounts to any market sector in Qatar<sup>21</sup>.
- 68. The maximum permissible discount that may be offered by a SP without justification is twenty per cent (20%) of a Standard Permanent Tariff already introduced in the market.
- 69. The discounts can be offered on a permanent or promotional basis (ref. Section 3.5).  
 In case of an offer to Hotels this would e.g. mean that a SP can offer 10% for “Red Hotels” and 15% discount for “Green Hotels” without justification (e.g. demonstrating Non-Discrimination).  
 For the avoidance of doubt SPs, if SPs wish to test the market, they may offer promotions with a discount higher than 20% and then introduce Permanent Standard Tariff with this lower charges.
- 70. DSPs shall submit sufficient justifications that the discount is above cost and must cease them upon receipt of an Order in this regard from the CRA (ref. section 4.1 Tariffs – Filing and 4.2 Tariffs – Review and Approval).

#### 3.8.1 Illegal Discounts

- 71. Notwithstanding clause 68 any discounts not filed with the CRA shall be deemed as an “**Illegal Discount**” and must be phased out by the SP.
- 72. The Illegal Discounts cannot be renewed, and the Customer must be migrated to the relevant Tariffs approved by/filed with the CRA.
- 73. For Illegal Discounts existing in the market at the date of the issuance of this RTI, in order to not unduly disadvantage the Customers, the Customer may benefit from the contract until its expiration date, but not longer than 6 months from the issuance of this RTI.
- 74. Within 15 working days from the issuance of this RTI, the SPs are required to:
  - 74.1 Inform in writing the Customers of the requirements to cease the Illegal Discounts and migrate them a legal Tariff;
  - 74.2 Provide to the CRA a report (the “**Report**”) including all the Illegal Discounts. The Report shall be in Excel format. The table below shows the information to be included in the Report, along with explanations and example to fill the relevant fields.

Field	Explanation	Example
-------	-------------	---------

<sup>21</sup> For avoidance of doubt, this includes the educational, charity, special needs and disability sectors.

Number of the Illegal Discount	Consecutive number	1
Service	IP-VPN or Internet VPN	IP-VPN
Consumer Identifier	The economic sector in which the customer is operating.	Bank #1
Customer Name		
Customer Address 1		
Customer Address 2		
Customer City		
Start Date of Contract	date	01-Apr-17
Expiry Date of Contract	date	01-Apr-18
Minimum Service Period of Contract	Months	12
Grade of Service	Gold, Silver, ...	Gold
Speed of Service	Mbps	16
Approved monthly charge of service	QAR	
Actual monthly charge of service	QAR	
Other T&Cs different from those approved	Y/N - are there any other terms in the customer contract, which are not in line with the approved contract?	N
Which ones	If "Other T&Cs as approved" is N, then list them here	Minimum Service Period

Table 7 Report on illegal discounts

75. The Report must be submitted via the email address tariffs@cra.gov.qa.
76. The Report must be signed off by the Chief Executive Officer, or - if not available – by a person duly authorized to sign on his behalf.
77. The report shall continue to be delivered to the CRA on a monthly basis until all Illegal Discounts have been removed.
78. If SPs have any questions regarding the Report, they must raise these within 5 working days from the effective date of this RTI.

### 3.9 Minimum Service Period, Commitment period and Cancellation Policy

79. SPs are subject to the Minimum Service Period of no longer than three months, unless a sufficient justification<sup>22</sup> is provided in a Tariff Filing demonstrating the need for a longer Minimum Service Period.
80. In the event a Retail Customer wishes to cancel the subscribed service within the Minimum Service Period, SPs are entitled to collect the remaining fixed monthly charges of their Minimum Service Period. This clause does not apply if the SP changes the terms and conditions of a contract and, as a consequence, the Customer wishes to cancel the service whilst in the Minimum Service Period.

<sup>22</sup> Such as, for example, detailed evidence of investments dedicated to the customers that need to be recovered in a longer period otherwise will become sunk costs).

81. SPs must not provide any additional benefit (i.e. devices for free, rebates, etc.) for an extended contract period and Customers must be entitled to terminate their service without any penalty/payment after their Minimum Service Period is complete.

### 3.10 Minimum Validity Period of Credit

82. SPs must ensure the Minimum Validity of credit as follows:

Credit	Duration	Explanation
Less than or equal to QAR 10	30 calendar days or longer	Including, but not limited to, pre-paid products vouchers, top up credit.
Standard credit validity	6 months or longer	

83. This applies to the credit and excludes the minimum duration of the services (e.g. one day or one week mobile Internet packs, Add-ons/boosters, etc.) which can be lower.

### 3.11 On-Net/Off-Net Pricing Differentials

84. SPs must not apply any on-net/off-net price differentiation, unless objectively justified and approved by the CRA. This means that a unit of service, which includes voice and video calls, SMS, MMS and other services, made from the SP network to another SP's network must be charged at the same amount as a unit of service inside the SP's network. This also means that if units of service (e.g. call minutes) are included in a permanent bundle, these units of service must be available on-net and off-net.

### 3.12 Handsets and Customer Premise Equipment ("CPE")

#### 3.12.1 Handset Subsidy and SIM Locking

85. SPs shall not subsidize devices or engage in "SIM locking". SPs are free to sell devices on an instalment or amortized basis and unbundled from telecommunications services. This can be achieved by e.g. a separate contract being taken out for a device and paid for in periodic arrears. This contract must not be bundled with the underlying telecommunication service. SPs are therefore not permitted to:

85.1 Subsidize any mobile device;

85.2 "Lock" a device so that it can only be used with the SP's (physical or e-) SIM cards.

#### 3.12.2 Network Specific CPE Subsidies

86. SPs may provide equipment necessary for the provision of services (as an integral part of the service) and which are not available in the open market without a separate charge. This would typically include devices such as an Optical Network Terminal for fiber broadband.

#### 3.12.3 Non-Network Specific CPE

87. SPs must include the price of any CPE in a Tariff that is provided to Customers free of charge, but which may be charged for if the Retail Customer cancels within the minimum service period and fails to return the CPE.

### 3.13 Easy To Remember Numbers

88. SPs are entitled to charge “easy to remember” (**ETR**) / “premium numbers” on condition that all charges will go entirely to charities / Corporate Social Responsibility (**CSR**) purposes.

The SPs must maintain a record of this at all times for audit purposes by the CRA.

### **3.14 Geographic Differentiation of Charges**

89. Unless specifically approved by the CRA, SPs must provide only uniform pricing within Qatar.
90. This includes Promotional Offers and potential “cell based charging”.

## 4 Provisions specifically for DSPs

91. The following provisions are additional to those included in Section 3 above.

### 4.1 Tariffs – Filing

92. All Tariffs that contain a service or service elements that fall within a Relevant Market in which a SP has been designated as dominant must be filed and explicitly approved by the CRA in advance of being made available to Customers.

93. A DSP is obliged to file their proposed Tariffs as listed in [Table 4](#) above in a Tariff Filing, which must include:

93.1 The Tariff Document in a form as per Annex III of this RTI;

93.2 Cost justification, demonstrating the absence of anti-competitive conduct<sup>23</sup>, which includes e.g. pricing below cost<sup>24</sup> or excessive pricing<sup>25</sup>. A cost justification must include as a minimum

- (a) Revenue information – a detailed breakdown of the revenue components (e.g. connection, subscription, usage) of the Retail Offer, including the number of Customers supposed to subscribe the Tariff;
- (b) Cost Information - a detailed breakdown of the cost components (e.g. network, retail, termination etc.) of the Retail Offer; and
- (c) The number of Customers subscribed to the Telecommunications Service.

Any cost information must be based on a reliable source such as the approved Regulatory Accounting System. The cost information must be based on the applicable cost base and cost standard as approved by the CRA. In the absence of reliable cost information the CRA may choose appropriate proxies and benchmarks.

93.3 Proof, that the DSP has provided or will be providing (a) corresponding wholesale service(s) to the Retail Offer in order to enable other SPs to replicate the Retail Offer of the DSP. The CRA will weight up the relevance of this requirement in terms of advantages and disadvantages for Customers and competition for each Tariff Filing by a DSP;

93.4 All other information specifically required as per this RTI.

### 4.2 Tariffs – Review and Approval

94. The CRA will review the Tariff Filing to ensure that it complies with the ARF in general and the requirements of this RTI in particular.

95. The review will be based on, amongst others, but not limited to:

95.1 Information submitted as part of the Tariff Filing;

---

<sup>23</sup> E.g. Article (43)6, 7 and 9 of the Telecommunications Law. Under these provisions, it is prohibited for a DSP to supply competitive telecommunications services at prices below long run incremental costs or any other cost standard specified by CRA. In addition, Article (43) of the Telecommunications Law states specifically: 6 - Supplying competitive telecommunications services at prices below long run incremental costs or any other cost standard specified by the General Secretariat. 7- Using revenues or transferring a part of cost of a specific Telecommunications Service to subsidize another Telecommunications Service supplied 9- Performing any actions that have the effect of substantially lessening competition in any telecommunications market. Also ref. to Competition Policy - Explanatory Document dated October 21, 2015, Section 2 and 3

<sup>24</sup> *ibid*

<sup>25</sup> Article (29) of the Telecommunications Law. The tariff for telecommunications services provided by dominant service providers must be based on the cost of efficient service provision and the tariff must not contain any excessive charges which result from the dominant position that the service provider enjoys.



- 95.2 Other official submissions to the CRA by the DSP such as the Regulatory Accounting System, MDDD reports, profitability reports etc.; and
- 95.3 Any other information the CRA deems necessary to assess the validity of the Tariff Filing (e.g. benchmarks etc.).
96. Once a complete Tariff Filing has been received, the CRA will have 10 working days to (a) approve or (b) object to the Tariff or (c) extend the period for review.
97. If the CRA decides to extend the 10 working days review period it shall notify the DSP in writing and shall specify the concerns, procedures and timetable for the extended Tariff review.
98. Within the 10 working days review period the CRA may also request in writing further information from the DSP in relation to the Tariff Filing. A request for further information, including meetings to discuss the Tariff Filing, will stop the 10-working day countdown. The 10-working day countdown will re-start once the additional information has been received by the CRA in its complete form as requested by the CRA.
99. If a request for information from the CRA contains a response deadline, any request for an extension of this deadline by a DSP must be accompanied by a convincing justification and filed at least five working days before the expiry of the original deadline.
100. Information may be exchanged in a Tariff meeting that may alter the CRA's understanding of a Tariff. This information does not need to be re-submitted in a formal Tariff Filing, but must be captured in minutes of the meeting.
101. The approval of the proposed Tariff will be communicated in writing to the DSP.
102. In case of approval of Bespoke Tariff a "Fast Track" procedure will apply. This procedure will follow clauses 94 to 101 but with a timeline of 5 (five) working days.
103. If concerns regarding a Tariff arise after it has been approved by the CRA and introduced in the market, the CRA may initiate an ex-post review of the Tariff.
104. If due to concerns, the CRA declines to approve a proposed Tariff, it will inform the DSP within the 10 working days review period of the reasons for such a decision in writing.

### **4.3 Bundles**

105. Typically, any bundle offered by the DSP must be capable of being replicated by other SPs. Accordingly, DSPs must:
  - 105.1 Ensure that wholesale products are offered to other SPs that enable the provision of the same services (as the DSP); and
  - 105.2 Demonstrate that other SPs can replicate a bundled Retail Offer using either its own network or wholesale products currently provided, by the DSP.
106. The DSP may be required by the CRA to also offer separately the individual service elements of the bundle.

## 5 Provisions specifically for non-DSP

107. The following provisions are additional to those included in section 3 above.

### 5.1 Tariffs – Filing and Review

108. The CRA will verify that the Tariff Filing is consistent with the ARF in general and the requirements set out in this RTI.
109. The Tariff Filing must be sent to the CRA on the day of the launch of the Tariff at the latest.
110. Once a complete Tariff Filing has been received, the CRA will have 10 working days to (a) object to the Tariff and order its suspension, modification or withdrawal, or (b) extend the period for review.
111. If the CRA decides that an extended review of a proposed Tariff is necessary, it shall notify the SP in writing and shall specify the procedures and timetable for the Tariff review.
112. If a request from information from the CRA contains a response deadline. Any request for an extension of this deadline by a non-DSP must be accompanied by a convincing justification and filed at least 5 working days before the expiry of the original deadline.
113. Information may be exchanged in a Tariff meeting that may alter the CRA's understanding of a Tariff. This information does not need to be re-submitted in a formal Tariff Filing but should be captured in appropriate minutes drafted by the CRA.
114. If the concerns are not addressed to the CRA's satisfaction, the CRA may request that the non-DSP withdraw the Tariff.
115. If after launch there are concerns that the tariff does not adhere to the ARF the CRA may initiate an ex-post review of the Tariff.

## 6 Compliance, Monitoring, Enforcement and Review

### 6.1 Compliance

116. The SP must comply fully with any and all procedures related with Tariffs as established in the ARF.

### 6.2 Monitoring

117. The CRA will monitor that the compliance of the SPs with this RTI, specifically but not limited to, against the following criteria:
  - 117.1 Introduction of Tariffs neither filed nor approved nor published by the SPs in the market;
  - 117.2 Consistency of the published Tariff Documents with those filed for / approved by the CRA;
  - 117.3 Refusal to provide required information; and
  - 117.4 Delays in submitting required information.
118. Monitoring will be carried out, specifically but not limited to:
  - 118.1 Checking the section of SPs' website where the commercial offers and Tariff Documents are published;
  - 118.2 Review of the completeness of the required information; and
  - 118.3 Investigations performed by the CRA.

### 6.3 Enforcement

119. In the event of non-compliance, it ~~shall~~ may result in one or a combination of the following enforcement provisions as stipulated under the Telecommunication Law:
  - 119.1 Invoking the provisions of chapter sixteen (16) of the Law, whereby the SP shall be subject to criminal prosecution as a form of punishment for non-compliance with the relevant provisions of the Law and its license;
  - 119.2 Invoking the provision of Article 62-bis of the Telecommunication Law, whereby non-compliance is punishable with the imposition of one or more of the administrative penalties that are set out in Schedule 1 of the Law;
120. In addition to the above, the CRA shall take adequate actions to protect the Customers, including but not limited to:
  - 120.1 Ordering non-DPS to have their Tariffs pre-approved by the CRA;
  - 120.2 Ordering SPs to cease offering BTLTs;
  - 120.3 Issuance of an Order to officially withdraw the Tariff, which could for a number of reasons ranging from misleading published GT&C to failure to file the Tariff prior to its introduction; compensation to the affected Customers may be also required;
  - 120.4 Issuance of an Order obliging the SPs to provide illegal telecommunications service for free to affected Customers until the expiry date of the contract.

### 6.4 Review

121. This RTI may be reviewed by the CRA from time to time to ensure it remains relevant to developments in the market.

## Annex I Glossary, Acronyms and Abbreviations

The terms, words and phrases used in this RTI shall have the same meaning as are ascribed to them in the ARF unless this RTI expressly provide for otherwise, or the context in which those terms, words and phrases are used in this RTI require it.

### ARF

Applicable Regulatory Framework, 4, 8, 23

Applicable Regulatory Framework - has the meaning given to it in the Individual Licenses held by the Service Providers., 4, 7, 14, 18, 20, 21, 22

### BT

A Permanent–Bespoke Tariff made available by a SP to a specific Customer or group of Customers (and not accessible to all Customers), 9, 12

### BTLT

A Promotional Tariff, made available by a non-DSP to a specific Customer or group of Customers (and not accessible to all Customers). A BTLT must be of negligible value and therefore by its nature does not adversely affect competition., 9, 10, 12

### CPE

Customer Premise Equipment, 17

### CRA

Communications Regulatory Authority, 4, 5, 6, 7, 8, 9, 10, 12, 13, 14, 15, 17, 18, 19, 20, 21

### Customer

Means any subscriber or user of retail services sold by the Service Providers, whether such services are acquired for the customer's own use or for resale (ref CPP), 5, 10, 11, 13, 14, 15, 16, 17, 25

### DSP

Dominant Service Provider, 4

### GT&C

General Terms & Conditions are the terms and conditions applicable for a group of Tariffs. These are typically set for Residential and Business Customers like "General Terms and Conditions for Consumer Services" or "Master Services Agreement for Business., 8, 13, 14, 21

### License

has the meaning given to it in Article 1 of the Telecommunications Law., 7

### Licencees

Individually Licensed Service Providers, 4

### Loyalty Programs

Promotions and incentives granted by SPs to Customers depending on the Customer's usage patterns of the services. The aim of such programs is to reward Customers for their usage, which in turn can increase the Customer's loyalty, 9

### MDDD

Market Definition and Dominance Designation, 19

### Minimum Service Period

Means the minimum contracted period agreed to by a Customer for telecommunications services from a Service Provider, after which no fees are payable for the termination of the contract by the Customer (ref CPP), 16

### non-DSP

non - Dominant Service Provider, 4

### Permanent Tariff

A Tariff, which is intended to be available to Customers on a non-time limited basis, 9

### Relevant Market

The Relevant Markets as defined by the MDDD process., 18

### Retail Offer

Means a current retail telecommunications service that is available for consumer subscription and includes, without limitation, such offers as advertised (ref. CPP), 10, 11, 18, 19, 25

### RTI

Retail Tariff Instruction, 1, 4, 5, 7, 8, 10, 12, 14, 15, 18, 20, 21, 22, 26

### Service Provider

Has the meaning given to it in Article 1 of the Telecommunications Law, 4, 6, 25

### SIM

Subscriber Identity Module, 17

### SP

Service Provider, 6, 7, 8, 9, 10, 12, 13, 14, 15, 16, 17, 18, 20, 21, 25

### SPs

Licensed Service Providers, 4

**ST**, 10, 12

**ST** Standard Tariff A Tariff made available by a SP to all Customers (i.e. all business and residential) or groups of Customers (i.e. all business or all residential)., 9

Tariff

Any statement of prices, rates, charges or other compensation of any form (including related service descriptions or terms and conditions such as rebates, waivers or discounts) offered by a Service Provider regarding any of its services., 1, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, 17, 18, 19, 20, 21, 25, 26

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## Annex III Tariff Document - Template

### General Tariff Information

Service Provider Name	Name of Service Provider
Tariff Number	A unique number for identifying this Tariff (To be created by the Service Provider)
Marketing Name of the Retail Offer	Generic name (e.g. post-paid mobile) and/or brand name (e.g. Shahry)
Tariff Type	Permanent / Promotion / Bespoke
Duration	[for Promotion only]
Customer Group	Residential or Business
Tariff Effective Date	Availability to Customers
Tariff Version Number	To be created by Service Provider (promotions are suffixed)

### Tariff Details

Definitions	Definitions of terms used in this Tariff Document	Applicable to <ul style="list-style-type: none"> <li>• Permanent</li> <li>• Promotion</li> <li>• Bespoke</li> </ul>
Tariff Terms and Conditions	Service specific terms and conditions	Applicable to <ul style="list-style-type: none"> <li>• Permanent</li> <li>• Promotion</li> <li>• Bespoke</li> </ul>
Service Description and Features	A clear product description of the Service being offered with respect to what the Tariff proposes to deliver to Customers	Applicable to <ul style="list-style-type: none"> <li>• Permanent</li> <li>• Promotion</li> <li>• Bespoke</li> </ul>
Charge Rates	All the Charges Rates must be in QAR, including all taxes, levies, etc.	Applicable to <ul style="list-style-type: none"> <li>• Permanent</li> <li>• Promotion</li> <li>• Bespoke</li> </ul>
Service Provider obligations	Which are not included in the SP's General Terms and Conditions, such as service availability and limitations – availability, maximum downtime, mean-time-to-repair, quality of service, speed, throughput, technical and geographical limitations.	Applicable to <ul style="list-style-type: none"> <li>• Permanent</li> <li>• Bespoke</li> </ul>
Customer obligations	Which are not included in the SP's General Terms and Conditions	Applicable to <ul style="list-style-type: none"> <li>• Permanent</li> <li>• Bespoke</li> </ul>
Equipment and technical interfaces	Equipment owned/leased and supplied by the Service Provider, equipment provided by the customer, service demarcation point, standards/specifications of service interfaces.	Applicable to <ul style="list-style-type: none"> <li>• Permanent</li> <li>• Bespoke</li> </ul> [for Business Tariffs only]
Service Level Agreement	Including measurable QoS Parameters. For example, service availability and limitations – availability, maximum downtime, mean-time-to-repair, quality of service, speed, throughput, technical and geographical limitations.	Applicable to <ul style="list-style-type: none"> <li>• Permanent</li> <li>• Bespoke</li> </ul> [for Business Tariffs only]
Criteria for Customers/ Group of Customers to access the Tariff (if required) refer to Sections 3.7 and 3.8		If needed applicable to <ul style="list-style-type: none"> <li>• Permanent</li> <li>• Promotion</li> </ul>

## Tariff Version Control

[for Permanent Tariffs]

Tariff Version Number	Approval Date	Effective Date	Tariff Modifications
1.00	11 Aug 2008	18 Aug 2008	New Tariff
1.01	01 Sep2008	10 Sep 2008	Local call price increase (4.1)

\*\*\* End of the RTI \*\*\*





**By email**

28 October 2018

Mohammed Al Mannai  
President  
Communications Regulatory Authority  
P.O. Box 23404  
Doha, Qatar

**Cc: Francesco Massone, Rainer Schnepfleitner**

**CONFIDENTIAL**

Dear Mohammed,

**Re: Draft final Retail Tariffs Instruction (“Draft RTI”) post consultation for comments**

Vodafone Qatar P.Q.S.C. (“**Vodafone Qatar**”) refers to the Communications Regulatory Authority’s (“**CRA**”) email dated 9 October 2018 asking for comments to be provided on the Draft RTI prepared by the CRA. Vodafone Qatar welcomes the opportunity to review the final draft.

We attach a mark-up copy with our detailed comments and wish to highlight the following major concerns:

**RTI Direction**

The direction of the Draft RTI remains contrary to the Applicable Regulatory Framework (“**ARF**”), economic principles and good regulatory practice which require to focus ex-ante regulation on the Dominant Services Provider (“**DSP**”). Instead of focussing regulation on competition problems in line with the CRA’s latest market review findings and economic principles, the Draft RTI increases regulation in competitive markets (18 pages out of 20 pages relate to the regulation of non-DSP) and keep constant the regulation on the DSP. CRA’s approach is burdensome and will adversely affect time to market, lead to micromanagement (as we have seen recently) in markets found competitive by the CRA in 2016 and will generate “technical non-compliances”.

We believe that better outcomes for consumers can be achieved with the CRA focussing on the regulation of dominance and on providing the right regulatory settings for competition to flourish in fixed.

**Regulation of the DSP**

Setting out a forward-looking framework for the regulation of dominance to foster competing investment and competition should have been the main objective of the revision of the RTI. Unfortunately, the question of how to regulate dominance has not been debated.

Given the different positions of Ooredoo and Vodafone Qatar (notably in terms of market share – 95% vs 5%, in terms of network deployment – fully deployed network vs competing fixed network in

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deployment phase), we submit that, when approving Ooredoo's tariffs, the CRA should ensure that a reasonably efficient competitor can economically replicate the tariffs. This is necessary for competing investment in the sector to be facilitated as per the policy objective of the CRA to foster infrastructure-based competition and for Vodafone Qatar to stand a chance to earn a return on its investment as it competes with an overly dominant incumbent.

We are cognisant of the practical challenges involved. Hence at this point we kindly request the CRA to retain discretion when approving Ooredoo's tariff to consider the impact on competing investment and competition.

### **Below the line Tariffs (BTLT / CVM)**

We understand that the CRA is concerned with the potential market distortion of customized offers although those offers provide clear benefits to consumers. As discussed with the CRA, the proposed wording of the CRA is not workable and we kindly request the adoption of an alternative wording ("the incremental revenue contribution from BTLT cannot exceed x% of the revenue of the relevant market in any month" or equivalent) against which we can report and be audited as required.

Also to give headroom for the growth of personalized pricing and given the benefits it provides to customers, our preference is a cap at 10% and not 5%.

### **Discounts**

There is still some confusion in the draft RTI on this point. We submit that for non-DSP: (a) there should not be any justification required for discount up to 20%; (b) they should have the discretion to offer different discount levels to different customers provided that the discount is less or equal to 20%. In addition, non-DSP should be able to introduce standard tariffs to specific categories of consumers and/or based on criteria (e.g. a specific standard tariffs for schools).

The maximum allowable discount should be 15% for the DSP in order to mitigate the incumbency advantages of the DSP which controls 95% of the market.

### **Illegal discounts**

Vodafone Qatar is committed to comply with the requirements of the CRA to phase out the "illegal discounts" and to do that a similar commitment is necessary from Ooredoo so that a level playing field is created. In that regards, we also recommend that the CRA be prepared to take swift enforcement actions.

From a practical stand-point, the phasing out needs to be carefully coordinated to avoid extreme market reaction and to mitigate consumers' issues keeping in mind the legal obligations of services providers ("SPs"). Hence we recommend the organisation of an industry-wide meeting by the CRA on how to proceed. We also recommend the use of the existing template for reporting purposes.

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### **Enforcement**

Industry and consumers benefit when all SPs play by the rules set out by the CRA after proper consultation. However, the lack consequences for Ooredoo for systematic repeated breaches by Ooredoo (e.g. fixed discounts and Aamali Plan handset subsidies) undermines the market and affects Vodafone Qatar's reputation and commercial standing. For the new RTI to have its intended effects, a step change in approach is required regarding enforcement actions. Our recommendations are: (a) CRA to consider issuing the RTI as a Regulation to be published in the Official Gazette to facilitate enforcement actions; (b) Notices of non-compliances to be published; and (c) CRA to focus enforcement actions on the DSP.

### **Implementation date:**

The proposed immediate implementation date is not realistic. We recommend the effective date to be between 1 to 2 months from the issuance of the RTI to give SPs sufficient time to prepare for the new obligations and associated reporting requirements.

### **Removal of non-tariff related matters from the RTI**

We recommend the removal of non-tariff related matters from the RTI. This includes items related to consumer protections (e.g. General Terms and Conditions) and on numbering (Star numbers).

Yours sincerely,

Alexandre Serot  
**Head of Regulatory**  
**Vodafone Qatar QSC**

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## **Retail Tariff Instruction (“RTI”) for Individually Licensed Service Providers**

### **Response Document to:**

- **Responses to the Second Consultation  
(ref. CRARAC 2018/06/12)**
- **Comments on the draft RTI sent out for  
Sanity Check on October 9, 2018**

**CRARAC 2018/11/15-A**

November 15, 2018

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# 1 Background

1. On June 12, 2018, the Communications Regulatory Authority (“**CRA**”) issued a second consultation document (ref. CRARAC 2018/06/12, “**CD2**”) on the “Review of the Retail Tariff Instruction for Individually Licensed Service Providers (“**RTI**”)” and requested written comments.
2. On July 19, 2018, the CRA hosted an industry workshop to provide clarifications and to further involve the Service Providers (“**SPs**”) in shaping the New RTI. Ooredoo (“**OO**”), Qnbn, VFQ (“**VFQ**”) and Es’hailSat attended the workshop.
3. On September 6, 2018, the CRA received responses to CD2 from OO, Qnbn, VFQ, RigNet, Harris Salam and Es’hailSat.
4. On October 9, 2018, the CRA sent out an updated RTI asking the SPs to perform a “Sanity Check”.
5. Between October 25, 2018 and October 30, 2018 responses to the Sanity Check were received from OO, Qnbn and VFQ.
6. This Response Document contains CRA’s response to the SP’s comments on CD2 and the RTI issued for a Sanity Check.
7. Relevant comments from SPs were taken into account in the final version of the RTI.
8. As part of the consultation process and in the interest of transparency and public accountability, the CRA hereby makes the SPs non-confidential comments available along with the Response Document.

## 2 Table of Responses to Service Providers' comments from CD2

9. The tables below present an overview of the key comments received and the CRA's response.

### 2.1 CRA's responses to Es'hailSat comments

Topic	Key Comments Received	CRA Response
General Comments	<p>Es'hailSat's is of the view that the RTI document seems to have been developed only taking the national telecom service providers into perspective whose operations and competition are solely within the State of Qatar. Whereas, the competitiveness challenges for a satellite operator have not been accounted for in this document.</p> <p>Es'hailSat's notes that its core business is capacity leasing to broadcasters &amp; other telecom service providers and its competition is non-national, with the foreign satellite operators (e.g. NileSat, Arabsat, Eutelsat, SES, Intelsat etc.) who can provide this service (capacity lease) to the same customers without being subject to the regulatory requirements in general &amp; Tariff filing requirements.</p> <p>Also, Es'hailSat notes that it cannot control the SIM locking on the satellite phone / device of Inmarsat. This is due to the satellite phones issued for the Inmarsat service can only work in the Inmarsat network or constellation.</p> <p>According to the above, Es'hailSat asks the CRA to introduce a special section for the satellite operators which would exempt Es'hailSat from Tariff filing &amp; publishing requirements for the described cases.</p>	<p>Obligations imposed by the CRA on Qatari licensed satellite operators are consistent with the Applicable Regulatory Framework.</p> <p>Transparency toward customers requires that customers must be able to undertake their own research with respect to the terms and conditions and fees and charges of telecommunications services prior to them subscribing. Only that way can a consumer make an informed decision of whether or not to subscribe to a service.</p> <p>The CRA also notes that the RTI dictates specific rules for Bespoke Tariffs which relief many of Es'hailSat's concerns.</p>
Comments on Article 3.7: Non-Discrimination	<p>Es'hailSat notes that it was discussed and agreed during the industry meeting on 19th July 2018 that varying discounts for different customers that are within the maximum allowed discount are not considered by CRA as a discriminatory practice. However, this does not seem to be documented anywhere in the document.</p> <p>According to the above, Es'hailSat suggests to add a new clause under Sections 3.7 and 3.8.1 stating that varying discounts offered to different customers that are within the maximum allowed discount are not considered by CRA as a discriminatory practice.</p>	<p>Table 8 of the RTI provides full clarity on the rules for Discounts for Standards Permanent Tariffs and on Promotions.</p> <p>The CRA is of the view that the rules of the RTI provides the SPs with business flexibility.</p>

Topic	Key Comments Received	CRA Response
Comments on Article 3.8: Discounts	<p>Es'hailSat notes that</p> <ul style="list-style-type: none"> <li>From a satellite operator perspective, the currently allowed percentage of discount (20%) is very low considering the already over supplied market in terms of satellite capacity. Bigger discounts are required to incentivize customers towards Es'hailSat who would otherwise go for foreign satellite operators (e.g. NileSat, Arabsat, Eutelsat, SES, Intelsat etc.) who have much more flexibility in their pricing and are also not subject to CRA Tariff and discount regimes.</li> <li>Sometimes the company decides upon a strategic discount (above 20%) during a bid process or a contract negotiation process. These processes are performed within few days. The process of generating and publishing a new Tariff takes at least one month.</li> </ul> <p>According to the above, Es'hailSat suggests that</p> <ul style="list-style-type: none"> <li>Allowed discount should be up to 50%</li> <li>CRA should allow post-publication of Tariffs.</li> </ul>	<p>Table 8 of the RTI provides full clarity on the rules for Discounts for Standards Permanent Tariffs and on Promotions.</p> <p>The CRA is of the view that the rules of the RTI provides the SPs with business flexibility.</p>
Comments on Article 3.9: Minimum Service Period, Commitment Period and Cancellation Policy	<p>Es'hailSat notes that restriction of maximum three months on the commitment period &amp; consequent cancellation policy should be waived for third-party services e.g. Inmarsat services in Qatar by Es'hailSat.</p> <p>All the subscription and Tariff / pricing plans and their corresponding cancellation policies are developed by Inmarsat and they have subscription and Tariff / pricing plans with commitment periods exceeding three months. These payment plans are applicable globally and Es'hailSat cannot dictate Inmarsat to change them for one specific country. The limitation of three months' commitment period is constraining for Es'hailSat in case of Inmarsat services since it has no control over the subscription and Tariff / pricing plans. All the financial burden will be shifted to Es'hailSat in case a customer cancels a plan with a commitment period of more than three months.</p> <p>According to the above, Es'hailSat suggests that restriction of three months on the commitment period &amp; consequent cancellation policy should be waived for Business-to-Business Satellite Services to allow Es'hailSat to compete with the global satellite operators.</p>	<p>The CRA is of the view that if the customer is receiving a satisfactory service from the SP at a competitive price there is no incentive for the customer to terminate the contract earlier.</p> <p>Therefore, while the CRA accepts contracts of all lengths (i.e. 1 month, 1 year, 3 years or 5 years) the termination fee of the contract cannot exceed the remainder of the maximum 3 month Minimum Service Period</p> <p>i.e. if the Customer cancels the contract after having paid 1 month's service fee the termination fee will be the remaining 2 months of the 3 month Minimum Service Period. If the Customer cancels the contract in month 4 after paying 3 months' service fees then no termination fee will apply.</p> <p>The Service Provider may request a Minimum Service Period of longer than three months, but must provide a sufficient justification to the satisfaction of the CRA at the time of submitting the Tariff.</p> <p>It is important to note that the Minimum Service Period may not apply in case of tenders where the SP is providing a bespoke tariff (e.g.in response to a tender document where the terms of the tender require a longer commitment period).</p>
Comments on Article 3.12: Handsets and Customer Premise Equipment ("CPE")	<p>Es'hailSat notes that it cannot control the SIM locking on the satellite Phone / device of Inmarsat. This is due to the satellite phones issued for the Inmarsat service can only work in the Inmarsat network or constellation.</p>	<p>The SIM locking prohibition will apply. However, the CRA recognizes it is not practical to apply a Sim lock prohibition in the situation Es'hailSat describes.</p>



Topic	Key Comments Received	CRA Response
	According to the above, Es'hailSat request the CRA for waiver for satellite phone service as the satellite phones manufactured by the vendors in the market are service provider specific. Example : Inmarsat, Thuraya, Iridium etc.	
Comments on Article 3.13: Easy To Remember Numbers	Es'hailSat would like to charge for the special numbers but not to limit itself for the revenue collection. According to the above, Es'hailSat requests for CRA to consider waiving the requirement that the charges collected have to go to charities / CSRs only.	Numbers are a resource owned by the State of Qatar and not by the SPs. A SP may charge for a special number but all revenue received for the charging of numbers must be donated to charity/ Corporate Social Responsibility (CSR) purposes. The SPs will have the possibility to further discuss this topic in the upcoming consultation on the National Numbering Plan.

## 2.2 CRA's responses to Harris Salam comments

Topic	Key Comments Received	CRA Response
General Comments	<p>Services provided by Harris Salam and the other individually-licensed VSAT service providers are in a different geographic market from those offered by terrestrial fixed or wireless networks.</p> <p>VSAT connectivity may not be a substitute where terrestrial services are available given potentially higher equipment costs, service costs, and latency. VSAT connectivity offered under the Harris Salam license is in a different product market from terrestrial fixed or wireless services.</p> <p>Under the terms of the license, Harris Salam may serve only closed user groups, and may not offer public telecommunications services.</p>	<p>The CRA assumes that the argument here is that because "<i>Harris Salam and the other individually-licensed VSAT service providers are in a different geographic market from those offered by terrestrial fixed or wireless networks</i>" and "<i>VSAT connectivity offered under the Harris Salam license is in a different product market from terrestrial fixed or wireless services</i>" that they should not be subject to the regulatory framework in the same way as other fixed and mobile Licensees.</p> <p>Obligations imposed by the CRA on Qatari licensed satellite operators are consistent with the Applicable Regulatory Framework.</p>
General Comments	<p>To minimize the risk of parallel pricing among competitors, the CRA should permit Tariffs to take effect immediately upon publication, rather than requiring VSAT service providers to file anticipated Tariff changes up to ten working days' in advance.</p>	<p>Tariffs for a non-DSP need only be filed, at the latest, on the day the service is introduced in the market.</p>
Tariff Filing and Publication	<ul style="list-style-type: none"> <li>• Harris Salam agrees with the CRA's belief that, "non-dominant service providers do not have enough market power to act independently of their customers or competitors and their pricing practices (loyalty discounts, bundling, volume discounts, rebates etc.) cannot be anti-competitive by nature."</li> <li>• While the Telecommunications Law defines "customer" broadly to include "any subscriber or user of telecommunications services, whether such services are acquired for the customer's own use or for resale," it does not require the CRA to apply identical Tariffing obligations to all service providers or all services purchased by all customers. It does not even require that the same Tariffing requirements apply to all non-dominant service providers</li> </ul> <p>Customers of VSAT telecommunications services tend to be among the world's largest and most sophisticated commercial enterprises. These customers have no need for the "protection" of Tariffs.</p> <p>Rather, Tariffs are likely to be a source of frustration and increased administrative cost, if national Tariff requirements necessitate country-specific differences in rates, terms, or conditions of service.</p> <p>Therefore Harris Salam suggest that satellite VSAT providers should be exempted from Tariff filing requirements.</p>	<p>Transparency toward customers requires that customers must be able to undertake their own research with respect to the terms and conditions and fees and charges of telecommunications services prior to them subscribing. Only that way can a consumer make an informed decision of whether or not to subscribe to a service.</p>

Topic	Key Comments Received	CRA Response
Discounts	<p>Harris Salam is of the view that the CRA should not limit discounts on VSAT telecommunications services to 20 percent below the Tariffed rate, as proposed in Section 3.8.10.</p> <p>VSAT service rates can vary considerably based on the particular service, the capital equipment needs of the customer, variations in the cost of satellite transponder capacity, seasonal demand, term commitment, and other factors, many of which are driven by global market conditions and not the Qatari market. Rather, Tariffs are likely to be a source of frustration and increased administrative cost, if national Tariff requirements necessitate country-specific differences in rates, terms, or conditions of service.</p>	<p>Table 8 of the RTI provides full clarity on the rules for Discounts for Standards Permanent Tariffs and on Promotions.</p> <p>The CRA is of the view that the rules of the RTI provides the SPs with business flexibility.</p>
Discounts and Bespoke Tariffs	<p>Harris Salam suggests that the CRA should amend the Second Draft RTI to permit individually licensed VSAT service providers to offer unlimited volume and term discounts, as well as Bespoke pricing, without being obligated to file a new or revised Tariff. With most customers taking service under multi-year contracts, the CRA should permit discounts that reflect the lower provisioning, deployment, and transaction costs, and the more efficient use of capital infrastructure</p>	<p>Table 8 of the RTI provides full clarity on the rules for Discounts for Standards Permanent Tariffs and on Promotions.</p> <p>The CRA is of the view that the rules of the RTI provides the SPs with business flexibility.</p>
Minimum Service Period and Minimum Validity Period	<p>Harris Salam is of the view that the CRA should amend the Second Draft RTI to provide blanket approval for VSAT service providers and customers to make multi-year contractual term commitments, which would be consistent with current global industry practice. In our experience, customers typically seek to negotiate regional or global service contracts that make their costs predictable and controllable over a period of 12 to 36 months, or more. Section 3.9 of the Second Draft RTI would inhibit such arrangements</p>	<p>Please see comments in Es'hailSat section regarding this topic.</p>

## 2.3 CRA’s responses to Ooredoo comments

Topic	Key Comments Received	CRA Response
Comments on Provisions for all Service Providers – Open Provision	<p>The CRA proposes in Section 1.2; para 9 to include an open ended allowance to enable it to make ad hoc regulatory decisions as it sees fit.</p> <p>An open provision that allows the CRA to ‘materially’ deviate from the provisions of its own regulations breaches all norms of regulatory best practice. Moreover, Ooredoo, cannot build a business case for any service or investment strategy based on open-ended regulations that can ultimately be used to suspend or prohibit the provision of its retail services for reasons that cannot be planned for and therefore mitigated.</p>	<p>Clause has been amended to take into account Ooredoo’s comment.</p> <p>While the CRA is confident that the Retail Tariff Instructions (“RTI”) covers the vast majority of the cases it has included this clause in recognition that it is not possible to cover any and all matters that arise related to retail Tariffs in the RTI. Hence, this clause is needed to cover exceptional cases, where the proposed Tariff is not a “typical” one and where the RTI may not be clear. In these exceptional cases, the CRA will make a decision based on regulatory best practice and with reference to the regulatory framework. In these instances it is the intent of the CRA to provide a justification.</p>
Comments on Provisions for all Service Providers – Legal basis	<p>The CRA includes 3 pages of citations in Section 2--Legal Basis--from articles in the Telecoms law and its Executive By-law and the Emiri Decree No. 42 establishing the CRA as well as citations from the terms and conditions of Individual Licenses.</p> <p>Ooredoo finds this section misleading as it does not disclose the fact that the CRA is actually not obliged by the Telecoms Law or its Executive By-law to develop and issue retail Tariff regulations. Furthermore, nowhere in CD1 or CD2 does the CRA actually establish why increased regulatory oversight in this area and related burdens on all parties is needed in order to benefit the sector.</p>	<p>The CRA does not agree with Ooredoo’s argument.</p> <p>In order to provide transparency, certainty, proportionality and fairness the CRA has issued a Retail Tariff Instructions that implements the various requirements related to Tariffs outlined in the Telecoms Law, in its Executive By-law and in the Emiri Decree. In addition, the CRA has kept some of the obligations that were included in Annexure D of the Licenses.</p> <p>The CRA does not consider the New RTI to involve increased regulatory oversight. For example, the filing and publication for non-DSPs is not a new obligation (i.e. it was already in the RTI and in Annexure D), the non-discrimination obligation has been implemented giving more freedom to the SPs, non-DSPs are free to introduce tariffs targeting specific customers or group of customers, bespoke tariffs do not require publication anymore, etc.</p> <p>Therefore, many of the obligations in relation to objective justification and constraints on offering services to certain sectors etc. have been removed. The focus of the New RTI is to allow fair and unbiased competition whilst protecting consumers from misleading practices.</p> <p>Further, the New RTI has come at a time when the CRA has found some service provider offering services that are not in compliance with the current RTI and the New RTI is drafted to prevent this behavior moving forward.</p>
Comments on Provisions for all Service Providers – requirements outside the scope of the RTI	<p>Ooredoo explained in its CD1 response that specific CRA proposals are misplaced under the umbrella of retail Tariff regulation as per Qatar’s legal framework including proposals identified below.</p> <p>These proposals relate to General Terms and Conditions, Loyalty Programs, Billing Practices, Easy to Remember Numbers, Minimum Validity Periods of Credit, and Wholesale Offers.</p>	<p>The CRA shares Ooredoo’s objective to have the obligations in the most appropriate regulatory instruments. The CRA view is as follows:</p> <p><i>General Terms and Conditions</i> (GT&amp;C) – The responsibility of General Terms and Conditions will be moved to the forthcoming Consumer Protection Regulation (currently known as Consumer Protection Policy). However, for ensuring consistency between GT&amp;C and specific terms and conditions, the CRA requires that whenever the General Terms and Conditions are changed and submitted to the</p>

Topic	Key Comments Received	CRA Response
	<p>Ooredoo notes that the CRA states in CD2 that it may move regulations from the RTI related to the proposals described above to the appropriate regulatory instrument in scope (i.e. consumer protection policy, numbering plan etc....) at a later date. Ooredoo's understanding of the law is that this is not an option. The telecoms law and its by-law have established the scope of retail Tariff regulations, which do not provide for the use of Tariff regulations as a flexible instrument to regulate numbering, universal service, consumer protection, billing, wholesale access etc. even on an interim basis.</p> <p>Ooredoo is of the view that CRA's proposals should not be retained as part of a retail Tariff regulation even on an interim basis. Ooredoo does acknowledge however that the CRA is within its rights to address these proposals through the appropriate regulatory instruments where and only if needed to correct market imbalances.</p>	<p>CRA for approval a copy of the General Terms and Conditions is copied to the email address <a href="mailto:Tariffs@cra.gov.qa">Tariffs@cra.gov.qa</a> (ref. Section 3.6 - General Terms &amp; Conditions' of the New RTI).</p> <ul style="list-style-type: none"> <li>• <i>Loyalty Programs</i> – The CRA's Order of March 6, 2013 issued to Ooredoo (formerly QTEL) related to "Nojoom rewards scheme" stated that "the Nojoom Scheme is a Tariff for the purpose of the ARF.... Qtel [is] required to provide the necessary information for approval of the Tariff prior to launching the product". Hence, the CRA confirms that the requirement on Loyalty Programs shall remain in the RTI. With reference to requirements, the CRA is aware of the 'fluidity' of Loyalty Programs in terms of the benefits and extent of partners. In recognition of this the CRA has decided that SPs must report details of their Loyalty Programs with the CRA on a quarterly basis. Details of what information is required to be filed and how are included in the New RTI. It will be a requirement for a SP to publish the content and terms and conditions of all Loyalty Programs. Any abuse of the Loyalty Programs (e.g. rewarding new customers with benefits other than those included in the Loyalty Programs reported to the CRA) is forbidden.</li> <li>• <i>Wholesale Offers</i> – The CRA is well aware that the development of competition in the retail market is aided by the existence of wholesale offers that allow a non-DSPs to replicate the retail offers of a DSP. Therefore, tying the approval of a retail Tariff of a DSP to the existence of a wholesale product provided by the DSP will aid the development of competition. This obligation on DSPs has been included in the New RTI.</li> <li>• <i>Billing Practices</i> – There have been numerous incidents over the past year (and beyond) of SPs offering illegal Tariffs to customers without the customer being aware. The CRA is of the view that the RTI is the more appropriate instrument to address these illegal practices. Accordingly, the New RTI obliges SPs to inform customers on their bill that the Tariffs have been approved by the CRA.</li> <li>• <i>Minimum validity periods</i> - Will be moved to the upcoming Consumer Protection Regulation.</li> <li>• <i>Easy to remember numbers</i>: will be moved to National Numbering Plan</li> </ul>
<p>Comments on Provisions for all Service Providers – Taxonomy of the Tariffs</p>	<p>Ooredoo does not agree with the CRA's proposed taxonomy of Tariffs which is adding to the confusion of Tariff regulation, applied on a discriminatory basis without justification, and virtually removing any ability for Ooredoo to fairly compete in the marketplace.</p> <p>Ooredoo proposes the following definitions:</p>	<p>The CRA has amended the definitions in the new RTI, largely accepting Ooredoo's (and VFQ) comments.</p>

Topic	Key Comments Received	CRA Response
	<ul style="list-style-type: none"> <li>• <b>Standard Tariff (ST).</b> A Tariff offered by any SP to all business customers or to all residential customers or to all members of a subgroup of such customers. For example, a standard Tariff may apply to all schools, all SMEs, all retirees etc.</li> <li>• <b>Bespoke Tariff (BT).</b> A Tariff offered by any SP to a specific customer based on its unique requirements.</li> <li>• <b>Below the Line Tariff (BTLT).</b> A Promotional Tariff offered by any SP to a specific customer or group of customers and NOT accessible to all customers. A BTLT must be of negligible value and therefore by its nature does not adversely affect competition.</li> <li>• <b>Promotional Tariff.</b> A Tariff offered by any SP which is intended to be available to customers on a time limited basis, which cannot exceed a period of over 3 months. Ooredoo also sees no harm to the sector from repeating Promotions where they do not tie or lock in customers to long term contracts. The rationale for the CRA's prohibition on repeating Promotions until 6 months after the initial Promotion has expired has also not been provided. The ability for service providers to repeat Promotions on a more frequent basis such as 3 months for example, provides valuable information to support price points for new services as well as an opportunity to understand demand for services for a particular market segment. Accordingly, we ask the CRA to reconsider the timeframe for which Promotions can be repeated as means to speed the delivery of new services to the market.</li> </ul>	
Comments on Provisions for all Service Providers – Loyalty programs	<p>Ooredoo cannot support the regulation of Loyalty Programs as part of a RTI as:</p> <ul style="list-style-type: none"> <li>• Loyalty Programs cannot be defined as Tariffs under the ARF</li> <li>• Customers do not have to participate in such programs in order to subscribe to telecommunications services. These programs are in fact optional and in place for the purpose of rewarding customers based on their loyalty</li> <li>• Telecoms regulators elsewhere do not regulate Loyalty Programs through retail Tariff instructions if at all. We also note that the Loyalty Programs for other economic markets in Qatar—banking, airlines, restaurants, retail, grocery—are unregulated as far as we are aware.</li> </ul> <p>Ooredoo is of the view that the CRA's attempt to define a loyalty program as a Tariff cannot be validated as a loyalty program does not meet the parameters of the definition for Tariffs as described in the telecoms by-law and the Individual License. According to Ooredoo, instead of a Tariff for a telecommunications service, a loyalty program is a rewards system that allows customers a means to accumulate points to redeem products and services purely on an optional or voluntary basis. For example, no customer is required to participate in a loyalty program in order to subscribe to and use the Ooredoo services. Where customers participate in such programs, they</p>	<p>Please refer to the comments above with respect to Loyalty Programs. The CRA has decided that SP's must report details of their Loyalty Programs with the CRA on a quarterly basis only. In addition, the publication of the Loyalty Program does not require the Tariff Document.</p>

Topic	Key Comments Received	CRA Response
	<p>can redeem points against a list of products and services that is ever changing and not specific to Ooredoo telecommunications services. Points are also accumulated through the use of 3rd party service providers such as through the use of the QNB Credit Card.</p> <p>Hence, considering that Loyalty Programs are not Tariffs under Qatar’s legal framework, Ooredoo is of the view that they cannot be regulated as part of an RTI, also noting that there is no practical means of filing such programs due to their constant changing nature.</p>	
<p>Comments on Provisions for all Service Providers – Filing, Publication, Approval and Monitoring of Tariffs</p>	<p>Ooredoo notes that the CRA continues to propose in CD2 that all SPs shall be required to file and publish Permanent, Promotional, Loyalty, Bespoke Tariffs and offers even for competitive markets.</p> <p>According to Ooredoo, neither the telecoms law nor its by-law include an obligation for non-dominant service providers to file Tariffs with the CRA. This requirement is in fact discretionary.</p> <p>Hence, Ooredoo proposes to change the requirement for filing to the requirement for publishing all retail Tariffs on their website and at their retail outlets. This transparency enables the CRA and consumers to validate the terms and conditions of offers at any time. However, according to Ooredoo, for markets that are non-competitive both SPs and DSPs should be required to file and publish Tariffs prior to launch. This proposal supports CRA oversight where competition is still developing and reduces the burden of regulation where no longer warranted.</p>	<p>The CRA does not accept Ooredoo’s argument that the Tariffs’ regulation does not apply to non-DSPs.</p> <p>Indeed, this is supported – amongst others – by the Telecommunications Law:</p> <ul style="list-style-type: none"> <li>• Article (4) of the Telecommunications Law which is applicable to both DSPs and non-DSPs, clearly states that the CRA shall have the following powers and authorities: “Safeguarding the interests of customers, including setting rules for Tariff regulation and criteria for quality of service, and monitoring the terms and conditions of telecommunications services provision”.</li> <li>• Article (26) which is also applicable to both DSPs and non-DSPs states the CRA shall have the power to “.... determine the elements necessary for the provision of Tariff offers, their approval and publication in respect to telecommunications services. The CRA may set out other rules for regulating prices and Tariffs ....”</li> <li>• Annexure D to the Licenses which relevant obligations have been confirmed</li> </ul>
<p>Comments on Provisions for all Service Providers – Bespoke Tariffs</p>	<p>Ooredoo claims to have explained in their response to CD1 and to the CRA in a meeting held on 19 July 2018 the impracticality of ex-ante approval and publishing of Bespoke Tariffs. According to Ooredoo key impediments are:</p> <ul style="list-style-type: none"> <li>• The obligation for a DSP to file a Bespoke Tariff or project bundle for approval will effectively eliminate Ooredoo from any bidding process as the time frames for CRA Tariff approval are open-ended while a bidding process has specific deadlines that must be met in order to qualify.</li> <li>• The obligation to publish a Bespoke Tariff contravenes confidentiality clauses included as part of project contracts meant to protect the proprietary nature of a client’s unique solution. It exposes Ooredoo price points for unique solutions that may not be replicable for other customers and sets us up for the entertainment of additional discounts as business customers typically ask for discounts off of any published prices.</li> <li>• The publication of Bespoke Tariffs inhibits any SP’s ability to compete in adjacent markets where other companies (e.g. ICT solutions providers) are not subject to the publication of their offers inclusive of telecom services.</li> </ul>	<p>The CRA has changed the definition of a Bespoke Tariff to one that is designed solely for an individual customer based on a unique requirement from the customer.</p> <p>In addition, following Ooredoo (and VFQ) comments, the requirements on the Bespoke Tariff have been amended reducing the burden on SPs while allowing the CRA to monitor the market.</p>

Topic	Key Comments Received	CRA Response
	<p>As alternative solution, Ooredoo proposes to provide its prices for fixed services included as part of a Bespoke Tariff (definition as per Ooredoo proposal) to the CRA on a quarterly basis. Quarterly reports will include a description of each solution offered, and the price for the fixed services offered as part of the solution. We will demonstrate as part of these reports that the prices for the fixed services are above cost and meet our legal obligation as a DSP not to “substantially lessen competition.”</p>	
<p>Comments on Provisions for all Service Providers – Promotional Offers</p>	<p>Ooredoo is of the view that references to Promotional offers in the CD2 are contradictory.</p> <p>In Section 3.5 for example, the text says that all SPs must limit Promotions to a maximum of 3 months. In the Glossary section, a Promotional Tariff is defined as a Tariff that is intended to be available on limited basis and in the case of the DSP this refers to a period exceeding 3 months. Although we consider this latter statement to be an error in wording, Ooredoo does not understand the basis for the CRA to make a distinction between SPs and DSPs when it comes to Promotional offers.</p> <p>Ooredoo also argues that there is no value to the sector in limiting the amount of discount that an SP can offer as part of a Promotion as this would not substantially limit competition. In fact consumers will be the losers if this proposal becomes a regulation as discounts applied as part of Promotions effectively lower the base Tariff particularly for cases where a customer only remains with the SP for the minimum service period--3 months.</p> <p>Furthermore, the ability of a service provider to offer discounts of up to 100% allows all SPs to test demand for new products and determine appropriate price points after taking into account other factors such as usage and subscription price elasticities. On the other hand, limiting the discount level for Promotional offers to 20% and restricting the time period within which a Promotion can be repeated impairs this ability.</p> <p>Ooredoo also states that the CRA has also not demonstrated to service providers via a cost-benefit analysis why this regulation is justified in order to prevent negative market outcomes. Ooredoo's view is that this regulation will actually lead to negative market outcomes as SPs are forced to make uniformed pricing decisions, which are difficult to correct later. For example, the CRA's proposed 20% discount threshold forces an SP to introduce new Permanent Tariffs for any price drop in excess of 20% without the ability to test customer response to these price levels.</p> <p>As alternative solution, Ooredoo proposes that any service provider should be permitted to offer up to a 100% discount on a Standard Tariff for a period up to 3 months. DSPs should be able to file these Tariffs without needing to wait for approval in order to launch. The CRA has the right to intervene on an ex-post basis where Promotions meet the criteria of substantially lessening competition.</p>	<p>The CRA has corrected any error in wording in the Glossary of the New RTI.</p> <p>The CRA considers that offers made available for greater than a 3 month period are better served as permanent offer.</p> <p>To give the SPs greater flexibility the RTI has clarified that if SPs wish to test the market, they may offer promotions with a discount higher than 20% and then introduce a Permanent Standard Tariff with this lower charge.</p> <p>The CRA does not consider it prudent to the development of competition to allow a DSP to offer a discount of up to 100% on a permanent Standard Tariff and to then asses the competitiveness of these discounts on an ex post basis. Anyway a discount of 100% for a DSP is unlikely to pass the requirement of price being above cost.</p> <p>A SP may offer a discount of greater than 20% on a promotion in order to test the market (subject to the discount being above cost in the case of a DSP). If the promotion is successful the SP may introduce a permanent tariff that is less than/equals/is more than the promotion discount (again subject to being above cost in the case of a DSP). This gives the SP the maximum flexibility to offer telecommunications services.</p> <p>In all instances publication of Standard Tariffs (either Permanent or Promotional) is required.</p>



Topic	Key Comments Received	CRA Response
<p>Comments on Provisions for all Service Providers – Non-discrimination</p>	<p>Ooredoo in principal supports the CRA's position in Section 3.7 of the CD2 that no service provider shall afford "<i>undue discrimination against a particular customer or a group of customers of any class or description</i>" and thus the applicability of this provision on both non dominant and dominant service providers.</p> <p>In this respect it must be acknowledged that price discrimination may have both positive and negative impacts on overall market efficiency. Ultimately price discrimination, which has an effect of reducing market efficiency has this effect regardless if it is exercised by a DSP or a non-DSP. Prohibition of this kind of price discrimination should hence apply to both types of service providers—dominant and non-dominant.</p> <p>On other hand, Ooredoo is of the view that price discrimination that increases economic efficiency and intensifies competition should not be prohibited especially in an industry with high fixed costs (such as telecommunications), where price discrimination is a means to efficient cost recovery for service providers. In fact, virtually all current Tariffs for telecommunication services are based on price discrimination (e.g. subscribers to higher service volume bundles pay a lower per unit price than subscribers to lower service volume bundles, while underlying service costs differential does not necessarily correspond to the difference in unit prices). Indeed a price discrimination based on price elasticity typically leads to the increase in total volume sold and its prohibition would have just the opposite effect, i.e. the reduction of sold volumes and potential exclusion of price elastic segment from the service consumption altogether. Hence if a specific type of price discrimination is approved for a non-DSP, there should be no requirement for a DSP to justify the very same price discrimination if the positive effects of this price policy have been already recognized by the CRA.</p> <p>Considering the above arguments, Ooredoo states that a DSP should only be required to demonstrate that its price is set above the relevant cost to prevent an exclusionary impact on other SPs. Alternatively, allowing a specific type of price discrimination only for a non-DSP will unjustifiably exclude a DSP from competing for a specific customer segment and thus artificially manipulate the market outcome. Furthermore, Ooredoo notes that section 3.7 of the CD2 needs to specifically indicate that it applies to Standard Tariffs to be consistent with the rest of the regulations indicative of this section. For example, an SP would not publish a Tariff for a Bespoke offer as per para 60.3 neither would it develop a Bespoke offer that would detail specific criteria as per para 60.2 that qualifies a customer or group of customers to receive the Tariff as a Bespoke solution is designed solely for an individual customer based on its unique requirements.</p>	<p>The CRA's position with respect to price discrimination is the same as it had been all along.</p> <p>The CRA recognized the benefit to customer that can be obtained from price discrimination and these are well documented in economic literature. However, price discrimination is different from discriminatory pricing.</p> <p>Price discrimination allows a service provider to offer to a subset of customers a different price than one which is offered as "standard" to all customers. For example, a SP may offer a tariff only to red hotel businesses and call it the "Red Hotel Package" disclosing that the qualifying criteria to receive such a package is that the hotel is painted red and ALL hotels painted red receive the same offer (price discrimination up to 20% is allowed).</p> <p>In contrast discriminatory pricing occurs when red hotel A is offered a greater discount than red hotel B and red hotel B cannot avail of the larger discount as it may, for example, not be published.</p>

Topic	Key Comments Received	CRA Response
	<p>Ooredoo also considers the requirement to include a description of the 'specific' criteria that qualifies a customer or group of customers for a Tariff problematic in terms of actual on the ground implementation. This regulation in fact will limit the flexibility for how an SP can respond to competition in the market and provide differential price points that change from time to time based on contracts with partners, customer usage of services etc.</p> <p>Ooredoo and Vodafone response comments to CD1 asked the CRA to define what would be a sufficient justification for any discrimination. We note that CD2 still asks DSPs to provide a 'sufficient justification' regarding any discrimination but remains silent regarding its own criteria. In the absence of clearly defined CRA justification criteria, however, DSPs will be subject to arbitrary and discriminatory decision making processes. Hence, Ooredoo suggests that the CRA develop criteria for justifications for price discrimination based on the potential anti-competitive aspects that could be associated with the price discrimination. These are primarily below cost pricing and margin squeeze.</p>	
<p>Comments on Provisions for all Service Providers – Discounts</p>	<p>Ooredoo finds the language in para 62 inconsistent with the CRA's overall approach to discounts.</p> <p>For example, this para implies that discounts may only be offered to specific market segments or to a group of customers.</p> <p>Ooredoo's understanding of the CRA's actual intention of the RTI is that discounts can be offered to any customer and not just to categories or segments of customers. We therefore propose that this para is rewritten as follows:</p> <ul style="list-style-type: none"> <li>• SPs may offer discounts to any market sector customer in Qatar.</li> </ul> <p>In addition, Ooredoo notes that the CRA proposes to set a maximum discount level of 20% for all customers. We note that para 63 makes it clear that this limit of 20% is for Standard Tariffs and not inclusive of Bespoke Tariffs. Ooredoo further argues that this discount limit should not be applied to Promotional Tariffs as explained above. Thus, this section should be amended to clarify that the discount threshold of 20% pertains to Standard Permanent Tariffs.</p> <p>Ooredoo finds that there is no rationale to support a CRA regulation requiring a DSP to submit sufficient justifications regarding discounts that the CRA has set itself and thus already intrinsically preapproved. For example, the CRA in Section 3.8 of CD2 acknowledges that setting a 20% discount threshold is based on its understanding that resulting prices proposed by SPs with this threshold "will not be below costs" and "will be replicable by competitors." Accordingly, a requirement for a DSP to further justify this discount is without merit. As the CRA acknowledges that there is no harm</p>	<p>The CRA has clarified that SPs may offer discounts to any market sector customer in Qatar.</p> <p>Promotions can have a discount of any level. DSP must obtain an approval for a promotion and must demonstrate the promotion to be above cost.</p> <p>Non-DSPs must notify a promotion on the day of launch.</p> <p>By definition, a Bespoke Tariff is a permanent Tariff. This is a unique Tariff dedicated to the Customer hence in principle this cannot be discounted.</p> <p>If the SP wants to offer a new lower price it can only do this by introducing a new Bespoke Tariff (in the case of a DSP it must seek approval for the lower Bespoke Tariff - approval has a 5-day fast-track process)</p> <p>A DSP and a non-DSP have the freedom to apply discounts up to 20% on a permanent Tariff in the form of a range or matrix.</p> <p>However a DSP must submit the tariff for approval before launching and must demonstrate the tariff to not be below cost of provision. A Non-DSP is only required to notify the discount to the CRA at the latest on the day of launch of the tariff</p>

Topic	Key Comments Received	CRA Response
	<p>to competition with discounts of 20%, Ooredoo can only consider a requirement for a DSP to have to justify the same discount as means for the CRA to delay our ability to match discounts in the market place and/or prevent us from providing them altogether by not accepting any justification that we provide.</p> <p>Solution. All SPs are allowed to offer discounts on Standard Permanent Tariffs up to 20% without the need to justify. This solution lowers the regulatory burden and ensures that consumers benefit from a competitive process whereby at least 2 service providers compete for customers.</p>	<p>DSPs must demonstrate that the 20% discount is above cost. This is an obligation consistent with the ARF.</p>
<p>Comments on Provisions for all Service Providers – De Minimis provisions</p>	<p>Ooredoo remains fundamentally opposed to the removal of the De Minimis provisions particularly as they apply to Promotions. In absence of these provisions, Ooredoo will not be able to compete on a level playing field with its competitors. The CRA has also not made clear how the removal of the De Minimis actually contributes to the enhancement of market efficiency or addresses the abuse of dominance by a DSP. In absence of any valid justification, the De Minimis provisions from the RTI 2015 must be maintained in any new rendering of the RTI.</p>	<p>The CRA does not consider the De Minimis provisions as providing regulatory transparency and certainty. On reflection of this provision the CRA has decided that the best course of action is to remove them from the New RTI.</p>
<p>Comments on Provisions Specifically for DSPs – Obligation on DSPs</p>	<p>Ooredoo does not accept a prohibition on the use of the BTLT by DSPs for reasons explained above.</p> <p>Ooredoo also cannot support the CRA's position that a loyalty program is a Tariff as this is inconsistent with legal framework for the sector.</p> <p>Also Ooredoo is against the filing of Bespoke Tariffs and proposes a counter solution (see above).</p> <p>Ooredoo proposes the following obligations</p>	<p>The CRA will continue with a restriction on a DSP from offering a BTLT. The CRA considers that this will help the development of competition in those markets where one SP has been designated as dominant.</p> <p>Please see explanation above on Loyalty Programs. Please see explanation above on Bespoke Tariffs.</p>

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	<p>Table 1. DSP Tariff Regulation—Non-Competitive Markets</p> <table border="1" data-bbox="517 288 1137 454"> <thead> <tr> <th rowspan="3"></th> <th colspan="5">DSP</th> </tr> <tr> <th colspan="3">Standard Tariffs</th> <th>Below the Line Tariffs</th> <th>Bespoke Tariffs</th> </tr> <tr> <th>Permanent</th> <th>Promotional</th> <th>Loyalty</th> <th>Promotional</th> <th>Permanent</th> </tr> </thead> <tbody> <tr> <td>Tariff filing</td> <td>Y</td> <td>Y</td> <td>N</td> <td>N</td> <td>N</td> </tr> <tr> <td>Approval</td> <td>Y</td> <td>N*</td> <td>N</td> <td>N</td> <td>N</td> </tr> <tr> <td>Publication</td> <td>Y</td> <td>Y</td> <td>N**</td> <td>N</td> <td>N</td> </tr> <tr> <td>Monitoring</td> <td>Y</td> <td>Y</td> <td>Y***</td> <td>Y</td> <td>Y****</td> </tr> </tbody> </table> <p>Table 2. Non-DSP Tariff Regulation—Non Competitive Markets</p> <table border="1" data-bbox="517 547 1153 713"> <thead> <tr> <th rowspan="3"></th> <th colspan="5">non-DSP</th> </tr> <tr> <th colspan="3">Standard Tariffs</th> <th>Below the Line Tariffs</th> <th>Bespoke Tariffs</th> </tr> <tr> <th>Permanent</th> <th>Promotional</th> <th>Loyalty</th> <th>Promotional</th> <th>Permanent</th> </tr> </thead> <tbody> <tr> <td>Tariff filing</td> <td>Y</td> <td>Y</td> <td>N</td> <td>N</td> <td>N</td> </tr> <tr> <td>Approval</td> <td>N</td> <td>N</td> <td>N</td> <td>N</td> <td>N</td> </tr> <tr> <td>Publication</td> <td>Y</td> <td>Y</td> <td>N**</td> <td>N</td> <td>N</td> </tr> <tr> <td>Monitoring</td> <td>Y</td> <td>Y</td> <td>Y***</td> <td>Y</td> <td>Y****</td> </tr> </tbody> </table> <p>Table 3. SP Tarrif Regulation—Competitive Markets</p> <table border="1" data-bbox="517 802 1115 968"> <thead> <tr> <th rowspan="3"></th> <th colspan="5">non-DSP</th> </tr> <tr> <th colspan="3">Standard Tariffs</th> <th>Below the Line Tariffs</th> <th>Bespoke Tariffs</th> </tr> <tr> <th>Permanent</th> <th>Promotional</th> <th>Loyalty</th> <th>Promotional</th> <th>Permanent</th> </tr> </thead> <tbody> <tr> <td>Tariff filing</td> <td>N</td> <td>N</td> <td>N</td> <td>N</td> <td>N</td> </tr> <tr> <td>Approval</td> <td>N</td> <td>N</td> <td>N</td> <td>N</td> <td>N</td> </tr> <tr> <td>Publication</td> <td>Y</td> <td>Y</td> <td>N**</td> <td>N</td> <td>N</td> </tr> <tr> <td>Monitoring</td> <td>Y</td> <td>Y</td> <td>Y</td> <td>Y</td> <td>Y</td> </tr> </tbody> </table> <p>* Promotion under DeMinimis are pre-approved. Promotion outside of the scope of DeMinimis would be filed for approval  ** Customers will be transparently informed of the loyalty program via customer centric channel in a non-discriminatory fashion  ***Information on total cost of loyalty program is available to CRA via RAS  ****Quarterly reports will be submitted to the CRA to demonstrated above cost pricing</p>		DSP					Standard Tariffs			Below the Line Tariffs	Bespoke Tariffs	Permanent	Promotional	Loyalty	Promotional	Permanent	Tariff filing	Y	Y	N	N	N	Approval	Y	N*	N	N	N	Publication	Y	Y	N**	N	N	Monitoring	Y	Y	Y***	Y	Y****		non-DSP					Standard Tariffs			Below the Line Tariffs	Bespoke Tariffs	Permanent	Promotional	Loyalty	Promotional	Permanent	Tariff filing	Y	Y	N	N	N	Approval	N	N	N	N	N	Publication	Y	Y	N**	N	N	Monitoring	Y	Y	Y***	Y	Y****		non-DSP					Standard Tariffs			Below the Line Tariffs	Bespoke Tariffs	Permanent	Promotional	Loyalty	Promotional	Permanent	Tariff filing	N	N	N	N	N	Approval	N	N	N	N	N	Publication	Y	Y	N**	N	N	Monitoring	Y	Y	Y	Y	Y	
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Comments on Provisions Specifically for DSPs – Tariff Document Form	<p>Ooredoo requests the following amendments to the Tariff Document Form (ref. Annex III of CD2):</p> <ul style="list-style-type: none"> <li>Removal of the field for 'relevant markets.' This form is intended for customers who will not understand or need to know what the relevant markets (RM) are for the Tariff. Furthermore, as the RM status changes with the level of competition and definitions change with MDDD revisions, Ooredoo would have to keep track of the</li> </ul>	<ul style="list-style-type: none"> <li>On the field “relevant markets”, this has been removed.</li> <li>On Charges and rates, they must be inclusive of all components including taxes and levies to give customers an accurate reflection of their level. Only this way can customers make an informed decision whether or not to subscribe to a service.</li> <li>On the field Criteria for customers/groups to access Tariffs, the CRA notes that the Permanent or Promotional will not necessarily be offered to all customers (i.e. it is up to the SPs to decide this). Hence this field is confirmed.</li> </ul>																																																																																																																								

Topic	Key Comments Received	CRA Response
	<p>changing status and update Tariff forms accordingly which is an unnecessary requirement considering the lack of impact this change has on customers.</p> <ul style="list-style-type: none"> <li>Exclusion of the references to taxes and levies as part of the Charge Rates field. Ooredoo prefers to amend this text as follows: <i>All the Charges and Rates must be in QAR and are exclusive of any taxes and levies</i>. This exclusion prevents Ooredoo from having to update all Tariff documents each time taxes and levies change.</li> <li>Criteria for customers/groups to access Tariffs fields should be replaced with the word 'discounts'. The box to the right of this field can indicate the amount of the discount available, i.e. not to exceed 20% and the relevant criteria. The criteria must remain general enough to allow for changes in circumstances that affect costs, provision of services, total spend and customer unique requirements.</li> <li>Ooredoo has also explained above that as the telecoms legal framework for Qatar does not link the availability of wholesale offers to retail Tariff approval, this requirement cannot be included as part of a RTI or in its related Tariff Document Form.</li> </ul>	<ul style="list-style-type: none"> <li>On the Wholesale Offer, the CRA notes that the Tariff Document Form did not include any references to wholesale offers.</li> </ul>
<p>Comments on Provisions Specifically for DSPs – Timeframe to approve the Tariff</p>	<p>The CRA is proposing to extend the time frame for which it can make an initial response to a filed Tariff from 5 to 10 days. This proposal will serve as an additional barrier and bottleneck to the rollout of new services particularly for DSPs. As a means to facilitate a faster response time, Ooredoo suggests that the CRA streamline its Tariff processes and reduce the regulatory burden for all parties, particularly for competitive markets.</p> <p>The timeframes described in paras 87 through 89 are confusing. The CRA for example is requiring an extended period of 10 days (i.e. current period is 5 days) after receiving a DSP Tariff filing in order to review, ask for clarification accept or reject a Tariff. It then says that this time period will be restarted once any requested clarifications have been received from the DSP. Ooredoo asks for clarification regarding how long this review and approval process can go on as wording implies that there is no maximum time period before a decision can be made. Such uncertainty makes it impossible for Ooredoo's Marketing Team to plan new product launches etc. and thus meet business planning milestones.</p>	<p>For a DSPs the response time by the CRA for the Tariff filing of a DSP is 10 working days which is an increase from the current RTI of 5 working days and which reflects the reality the CRA faces in responding to a Tariff filing by a DSP in 5 working days. However, the CRA has introduced a fast-track approach for new Tariffs to be used as part of Bespoke Tariffs.</p> <p>Ultimately though the actual length of the review period will depend on the extent of information submitted by the DSP. If the information submitted by the DSP is complete and no further information need be requested by the CRA a strict 10 day review period applies.</p>
<p>Comments on Provisions Specifically for DSPs – Bundled services</p>	<p>The CRA's is proposing to amend the RTI 2015 Section 4.4 pertaining to 'bundles' with new provisions discussed in Section 4.3 of CD2. These proposals could potentially condition the approval of DSP Tariffs for bundled services based on the:</p> <ul style="list-style-type: none"> <li>Availability of wholesale products offered to SPs that enable the provision of the same services as the DSP</li> <li>DSPs ability to demonstrate that other SPs can replicate a bundled offer by using its own network or with wholesale products currently provided by the DSP</li> </ul>	<p>It is common regulatory practice to restrict the bundled services of a DSP to only those that can be replicated by another service providers competing with the DSP in the retail market.</p> <p>This is to prevent the dominant service provider from foreclosing the market with the effect of preventing competition from developing.</p>

Topic	Key Comments Received	CRA Response
	<ul style="list-style-type: none"> <li>• Identification of separate charges applicable to the bundled services. For Ooredoo to continue to remain relevant to its customers and grow its revenues, we must be afforded the ability to develop unique bundles in partnership with content providers and others to meet growing demand from our customers for digital services of all types. Conditioning the approval of the bundles based on whether there are wholesale products available that enable our competitors to provide the same services or our ability to demonstrate that other SPs can replicate the bundle is unlikely to be productive from a regulatory or commercial perspective and represents an overreach of regulatory authority. The more likely outcome for instance is that customers will not be able to benefit from new service bundles. Ooredoo also reminds the CRA that the Telecoms Law, its Bylaws and the Individual license do not provide any references that link retail Tariff regulation with the availability of wholesale offers regardless of whether or not this is the practice in EU or other GCC nations. Ooredoo also notes that the CRA further suggests in para 97 that a DSP may be required to offer the service elements of a bundle separately. As this statement is vague, its application will likely result in random, arbitrary regulatory decisions. As alternative solution, Ooredoo's proposes that a Tariff involving bundled services should be: <ul style="list-style-type: none"> <li>• Evaluated against the same anti-competitive criteria as other telecommunications services provided by DSPs, i.e. they should be evaluated based on whether they are below cost, do not cross-subsidize and apply no margin squeeze</li> <li>• Approved based on cost information for regulated telecom services and exclusive of any requirements regarding information for non-regulated services.</li> <li>• Contingent upon requirements related to wholesale regulations.</li> </ul> </li> </ul>	<p>It is standard regulatory practice to introduce wholesale services in non-competitive markets. This has the scope to allow a non-dominant operator to replicate the retail offer of a DSP.</p> <p>Therefore the CRA is entirely comfortable with the obligation on wholesale products set in the RTI.</p> <p>This obligation is conceived in a way that a DSP is not prevented from introducing a new Tariff in the market in absence of wholesale products if customers will benefit from the new Tariff.</p> <p>The CRA is of the view that this is a balanced approach.</p>
Other comments – Geographic Differentiation of Charges	Ooredoo supports the CRA's proposal in Section 3.14 of CD2 with respect to Geographic Differentiation of Charges as long as this proposal continues to apply to all SPs on a non-discriminatory basis. For example, we are not aware of arguments that could be used to justify why a DSP should be required to provide uniform geographic pricing whereas an SP would be free to differentiate prices by area. We also do not believe that such a scenario would be acceptable to consumers in Qatar	The CRA does not intend to allow the introduction of geographic differentiation of charges. The CRA is yet to be convinced that these can be beneficial to consumers and may in fact cause confusion to consumers i.e. what zones have charges and what zones do not?
Other comments - Compliance, monitoring, enforcement and review	Ooredoo strongly objects to the proposal described in para 110.3 with respect to Compliance, monitoring, enforcement and review. For example, an Order to withdraw a Tariff cannot be based on the publication of misleading GT&Cs. If anything the Order should actually be to withdraw the GT&Cs if they are in fact misleading by any reasonable determination. Ooredoo is genuinely confused by this CRA linkage which is not referenced under Qatar's legal framework for telecommunications services.	Any decision by the CRA to remove a Tariff from the market will not be taken lightly and if needed will be done in consultation with the SP. However, the CRA believes that this option is necessary especially for Tariffs that have been introduced without having complied with the required approval/notification process. In this case, the SP should face consequences for breaching the ARF.

Topic	Key Comments Received	CRA Response
	<p>The CRA further mentions that compensation to customers will also be required in these cases. No parameters, methodology, exact circumstances etc...for when or how an SP would be required to compensate customers has been provided.</p> <p>Moreover the CRA threatens to issue other Orders obliging SPs to provide illegal telecommunications services for free to affected customers until the expiry date of their contracts.</p> <p>Ooredoo is of the view that none of these proposals are supported by the telecoms legal framework</p>	<p>The CRA understands that if a Tariff must be removed this may bring detriment and confusion to the affected customers therefore the CRA will work with customers to ensure the minimum disruption occurs i.e. the CRA may remove an illegal Tariff for new customers but allow current customers to remain on the illegal Tariff until their contract expires.</p> <p>If a customer is disadvantaged significantly from the removal of a Tariff the CRA may seek compensation for that customer.</p>

## 2.4 CRA's responses to Qbn comments

Topic	Key Comments Received	CRA Response
General Comments	<p>Qbn is strongly of the view that it is incumbent upon the CRA to initiate and develop and ARF for wholesale services and charges.</p> <p>By way of this Submission, Qbn formally requests the CRA take the steps necessary to initiate and develop an ARF for wholesale services and charges</p>	This comment is not within the scope of the consultation
Comments on Discounts	<p>In the Industry Workshop provided by the CRA a great deal of confusion arose as to the manner Service Providers would be able to provide this 20% discount as well as to what constitutes a customer group.</p> <p>Also, there is some confusion as to when a requirement to file such discount may arise.</p> <p>It would be useful, as well as educational, for the CRA to illustrate various scenarios of the application of the 20% discount in its Second Round Decision. This will assist in ensuring that Service Providers do not unwittingly wander into the realm of discrimination.</p>	Please see comments in Ooredoo section regarding Tariff definitions, Standard Tariffs, Promotions, Bespoke Tariffs and the 20% rule.
Comments on Non-discrimination	<p>Qbn has no issue that its Tariffs must stand the test of non-discrimination. Further, Qbn will ensure that it will always be able to objectively justify that its Tariffs do not discriminate.</p>	Please see comments in the Ooredoo section with respect to price discrimination and discriminatory pricing.



## 2.5 CRA's responses to RigNet comments

Topic	Key Comments Received	CRA Response
General Comments	<p>Rignet is of the view that a strict Tariff regime may disadvantage enterprise customers in the VSAT market as they can constrain the ability of VSAT Licensees to provide cost-effective services by limiting the flexibility to adjust pricing and other terms and conditions to reflect individual customer needs.</p> <p>Therefore Rignet suggests that the CRA should have an adjusted approach for VSAT services that preserves fundamental customer protection and pro-competitive principals while relieving VSAT licensees and their customers of strict Tariff obligations that limit their ability to develop service offerings specifically tailored to an individual customer's needs.</p> <p>Rignet states that a closed user group may not be well served by a strict Tariff regime with uniform Tariffs and mandatory terms and conditions because the circumstances of customers can vary widely based on aggregate capacity needs, the number of facilities to be served or the geographic distribution of facilities.</p> <p>Further, RigNet is of the view that provisions on discounts introduced by the CRA would add delay and expense. Rather than individualized customer pricing being viewed as a discriminatory discount, RigNet invites the CRA to view them as a pro-competitive means to address the specific needs of individual customers in a cost-effective manner.</p> <p>For the foregoing reasons, RigNet suggests that the CRA should consider alternatives to the Tariff requirements applicable to VSAT Licensees and take such other actions to enhance the benefits of competition and prevent anti-competitive behavior in the closed user group VSAT market as described herein.</p>	<p>A SP is free to develop a telecommunications service as they see fit. However the basis requirements of a telecommunications service is that it is fair, equitable, transparent and delivers what is promised.</p> <p>The RTI allows a SP to offer Standard Tariffs and Promotions to all customers, Standard Tariffs and Promotions to a group of customers that met a certain criteria (i.e. all red hotels) and Bespoke Tariffs to an individual customer ( i.e. to red hotel A but not red hotel B). The makeup of the Tariffs is dependent on the SP. The common requirement of the Tariff is that it is submitted to the CRA for notification (non-DSP) or approval DSP. This is to ensure the CRA maintains market transparency.</p> <p>The CRA considers that customers must be aware of the terms and conditions and fees and charges of all telecommunications services prior to subscribing. Only that way can a consumer make an informed decision of whether or not to subscribe to a service.</p> <p>Please see the CRA's explanation on price discrimination and discriminatory pricing in the Ooredoo section.</p> <p>The advancement of the telecommunications sector in Qatar is best served by having all Licensees comply with the regulatory framework.</p>

## 2.6 CRA's responses to Vodafone Qatar comments

Topic	Key Comments Received	CRA Response
Comments on the Introduction	<p>On Article 1.1 (1) Objective and scope of the draft RTI, Vodafone Qatar ("VFQ") reiterates its position as set in our response to the Consultation Document dated 8 March 2018 ("CD#1") that the CRA's objective and scope of RTI should be to apply the Applicable Regulatory Framework ("ARF").</p> <p>According to VFQ, in this RTI, the CRA goes however beyond the ARF in so far as the ARF is focused on Dominant Services Providers ("DSP").</p> <p>On Article 1.1 (2) Application of the RTI to individually licensed Services Providers ("SPs"), VFQ notes that the CRA has mentioned that this RTI applies only to individually Licensed Service Providers in the State of Qatar. However, industry practice reveals that certain third parties such as Ooredoo's premium partners like Jumbo electronics, Al Anees, Ghasham International, AG Comms and Starlink (a subsidiary of Ooredoo with their office in Ooredoo headquarters) are currently selling handsets for as low as 25QR bundled with Postpaid Plans (see below screenshot). VFQ therefore submits that the CRA can either create a separate instrument to address the matter or state clearly in the RTI that any SP selling any Telecommunications services through any third party shall ensure that they are not in breach of the RTI and will be held directly liable for their breach.</p>	<p>The CRA has made clear in the New RTI that Licensees are responsible for the conduct of third parties such as the authorized dealers with respect to telecommunications products and services sold by these parties and the requirement for these products and services to be in compliance with the ARF</p>
Comments on the Background	<p>On Article 1.2 (8), VFQ believes that the CRA's consultation process on the RTI has not taken into consideration the common position of the SPs regarding key concerns such as removing ex ante regulation in market deemed competitive by the CRA; removing tenders from the list of Tariffs, objective justification applicable for non-DSP only etc. presented to the CRA in the industry meeting on 19 March 2018 as well as the response from the SPs for the CD#1.</p> <p>In line with good decision-making we kindly request the CRA to consider our comments and justify its position within the confines of the ARF especially as it relates to DSP obligations, non-DSP obligations and non-discrimination.</p> <p>VFQ also invites the CRA to adopt a more rigorous approach in the design and drafting of the RTI considering sound regulatory design principles, including Proportionality, Compliance, Certainty and Transparency.</p> <p>On Article 1.2 (9), VFQ hopes that the CRA will follow the usual consultation process for any new approach it adopts which is materially different from the RTI already consulted.</p> <p>According to the above, VFQ submits that the CRA takes into account the above elements when revising the RTI. VFQ also suggests amending the last line as - "<i>In the</i></p>	<p>The CRA wishes to strike a balance between regulatory obligations on SPs in a competitive market and the need for market transparency. Only when the CRA is fully aware of actions occurring in both competitive and non-competitive markets for telecommunications services can it be informed enough to make best-practice regulatory decisions that bring benefits to these markets, to consumers and ultimately to the State of Qatar. However with this in mind the CRA has in the New RTI brought about a number of changes that remove restrictions on SPs such as allowing discounts to all customer and reducing the 21 day review period for non-DSP Tariff filings.</p> <p>The CRA has reviewed all comments received and responded to comments in this document. As a consequence of comments received the CRA has made a number of changes to the Draft RTI in CD2. The CRA considers that regulatory best practice dictates that decision made by the CRA in the interest of stakeholders in telecommunications services be based on Proportionality, Compliance, Certainty and Transparency.</p> <p>To avoid the argument of what change is material and what is not the CRA simple reserves the right to consult in any new approaches or changes in regulation as it sees fit. With specific reference to this RTI, after two rounds of formal consultation, one request for sanity checks and various meetings officiated with the SPs, the CRA is of</p>

Topic	Key Comments Received	CRA Response
	<p><i>event the CRA adopts an approach which is materially different from this RTI, a detailed justification and prior consultation will be followed.</i>"</p>	<p>the view that information acquired allows the CRA to close the proceeding and issue the new RTI.</p>
<p>Comments on the Legal Basis</p>	<p>VFQ is of the view that the CRA must exercise its power under Article 11 of the Telecommunications Law to determine the elements necessary for the provisions of Tariffs hedged with the condition that it must be exercised consistently with the real intent and purpose of its enabling laws (the Telecommunications Law and the Executive By-Law) which are then reflected duly in its regulations.</p> <p>Therefore, VFQ states that the RTI's expansion of Article 28, 31 and 44 to non-DSP is ultra vires as it is beyond the scope of the CRA's duties under the enabling ARF including Article 2 of the Telecommunications Law and Article 4 of the Emiri Decree as well as the dominance-based regime for ex-ante regulation enshrined in the ARF and the principles of good regulatory design.</p> <p>Hence VFQ kindly request the CRA to:</p> <ul style="list-style-type: none"> <li>• reflect market realities and the findings of the CRA's 2016 MDDD;</li> <li>• Withdraw the unrealistic and un-justified proposals on filling (including costs, revenue and methods of composing Tariffs), review and approvals for non-DSP, including tenders, Bespoke agreements and loyalty programs. The Telecommunications Law is clear that prior filling and approval is only required for the DSP. Similarly, the provision on no undue discrimination applies only on the DSP.</li> <li>• All other provisions related to non-DSP should be removed with the exception of competitive safeguards such as on-net off-net discounting and no handset subsidies. This includes: non-discrimination, the new ban on geographic pricing, restriction on bundling and discounting.</li> <li>• address Ooredoo's continuous super dominance in fixed through detailed ex-ante controls;</li> <li>• set a robust framework to enable competing investment and competition in fixed;</li> <li>• provide a targeted and proportionate ex ante framework with appropriate guidance in order to minimize regulatory uncertainty;</li> <li>• provide adequate protection against the risk of re-monopolization in mobile via convergence;</li> <li>• Set clear processes with appropriate timeline for enforcement of non-compliance by DSP.</li> </ul>	<p>The CRA does not accept Vodafone Qatar's (VFQ) argument that the regulatory framework with respect to Tariffs and non-discrimination only applies to DSPs. Article (4) of the Telecommunications Law which is applicable to both DSPs and non-DSPs clearly states that the CRA shall have the following powers and authorities:</p> <p><i>"Safeguarding the interests of customers, including setting rules for Tariff regulation and criteria for quality of service, and monitoring the terms and conditions of telecommunications services provision"</i></p> <p>Furthermore Article (26) which is also applicable to both DSPs and non-DSPs states the CRA shall have the power to:</p> <p><i>"... determine the elements necessary for the provision of Tariff offers, their approval and publication in respect to telecommunications services. The General Secretariat may set out other rules for regulating prices and Tariffs ..."</i></p> <p>Annex J of the Individual Licenses which is applicable to both DSPs and non-DSPs states</p> <p><i>" 2.1 ....the Licensee is hereby authorized to carry out the following activities ..... without any undue preference for or undue discrimination against particular Persons or classes of Persons"</i></p> <p>Finally the RTI replaces Annex D of Individual Licenses which is applicable to both DSPs and non-DSPs states:</p> <p><i>"1.2 All Public Telecommunications Services must be offered pursuant to a Tariff ..."</i></p> <p><i>"1.3 The Licensee shall make available to the Supreme Council for its review any and all of the Licensee's proposed Tariffs, or any modifications thereof..."</i></p> <p><i>"2.1 The Licensee shall deliver to the Supreme Council any proposed Tariff or Tariff modification ..."</i></p> <p>Indeed Annexure D to the Licenses also included obligations on non-DSPs related to non-discrimination and publication that the CRA has decided to keep in the new RTI.</p>
<p>Comments on the Legal Basis – Article 28, 31 and 44 of the Telecommunications Law</p>	<p>VFQ states that Article 28, 31 and 44 of the Telecommunications Law and Article 56 and 75 of the Executive By-Law refer only to the DSP whilst the CRA insists on imposing these obligations (except pre-approval) on all SPs.</p> <p>Hence VFQ argues that in doing so the CRA is going beyond its legal remit.</p>	<p>See the CRA's response immediately above to VFQ's comment.</p>

Topic	Key Comments Received	CRA Response
and Article 56 and 75 of the Executive By-Law	<p>Ooredoo notes that the recent RTI related non-compliance notices issued to both SPs in 2018, exposed the clear lack of understanding of market realities and inability to regulate the retail market by the CRA forcing the non-DSP to deal with a DSP independently without any regulatory protection, monitoring and depriving customers with a fair choice.</p> <p>Therefore VFQ requests the CRA to focus their energy and resources in regulating the DSP and request the CRA to develop a practical; achievable and forward looking retail regulation aimed at the DSP that will advance healthy market conditions and ensure the respect of consumer rights.</p>	
Comments on the Legal Basis – Article 2.2 (17) of the RTI	<p>VFQ recommends to clarify that services to which the RTI applies are “Telecommunications Services” when provided on a stand-alone basis or as part of a bundle. This is in conformance with the practice of the CRA whereby the CRA has stated that it does not approve non-Telecommunications services such as DDOS, TV Content, third party services offered to customer with Postpaid Plans such as Valet parking, airport lounge access etc.</p>	<p>The RTI confirms that services to which the RTI applies are “Telecommunications Services” when provided on a stand-alone basis or as part of a bundle.</p>
Comments on the Legal Basis – Article 56 and 75 of the By-Law	<p>According to VFQ these articles only applies to the DSP whilst the CRA insists on imposing the filling obligations on all SPs.</p>	<p>See the CRA's response above to VFQ's comment</p>
Comments on the Legal Basis – Quotation from the Emiri Decree	<p>VFQ suggests the CRA to amend Article 2.3 of the RTI inserting:</p> <ul style="list-style-type: none"> <li>• Sub-clause (2) of Article 4 of the Emiri Decree which states – “Provide the legal, transparent, organizational and fair environment to construct a competitive, innovative and investment attractive sector.”</li> <li>• Sub-clause (3) of Article 4 of the Emiri Decree which states – “Encourage competition, prevents or limit non-competitive practices, prevent the misuse of any person or entity to his sovereign status in the market and take the necessary procedures in this regard.”</li> </ul> <p>VFQ notes that the current retail environment is not an investment attractive sector for VFQ as Ooredoo continues to offers systematic illegal and un-approved discounts; cross subsidize fixed and mobile as well as offer handset subsidies in both mobile and fixed markets. However, those practices, despite being raised to the CRA, continue to be observed in the market.</p>	<p>The CRA see no compelling argument to include • Sub-clause (2) and (3) of Article 4 in Article 2.3 of the RTI.</p>
Comments on the Legal Basis – Quotation from the Individual Licenses	<p>With reference to Article 2.4 of the RTI, VFQ submits that the CRA must adopt a consistent position and cannot pick and choose: either the RTI replaces the Tariff related provisions of the License (including Annex I, along with the relevant clauses such as Article 3 and 10) or not.</p>	<p>As previously explained by the CRA, the current RTI repeals and replaces Annex D of the operating license. The RTI expands, clarifies, defines, updates, removes but in some cases keeps those obligations in Annex D that apply to Tariffs. For the avoidance of doubt the statement that the RTI replaces Annex D has been made in the</p>

Topic	Key Comments Received	CRA Response																																																														
	<p>As previously explained by the CRA, the current RTI has already repealed and replaced the Tariff related provisions of our operating license. Under the draft RTI, the CRA now appears to be selectively retaining certain provisions of the License, such as paragraph 8 of Article 1 of Annex D (set out below), to continue in effect while other provisions of the License are superseded by the terms of the New RTI.</p> <p>VFQ states that if the decision is for the New RTI to supersede the relevant provisions of the License then it must do so in entirety.</p> <p>Any other construct creates the potential for ambiguity, confusion and conflict in respect of the proper application and effect of the relevant provisions of the New RTI in the context of the retained License provisions.</p>	<p>New RTI (as it was in the current RTI) is to remove the possibility of conflict between the two instruments.</p>																																																														
<p>Comments on the Summary of the key obligations</p>	<p>VFQ notes that Article 2.5 of the RTI establishes that:</p> <p>(i) The Law and By-Law are DSP focused whereas the RTI expands its scope to non-DSP; and</p> <p>(ii) Provisions of non-discrimination; filling; approval and publications are all meant only for the DSP under the ARF.</p> <p>The publication requirement on non-DSP is clearly outside of the scope of the ARF. VFQ is of the view that while the CRA may have the authority to request filling under Article 54 of the By-Law, placing such requirement on non-DSP should be fully justified and proportionate.</p> <p>Therefore VFQ submits that the RTI has over-reached its objectives under the ARF and should be re-adjusted to be restricted to regulating the DSP.</p>	<p>See the CRA's response above to VFQ's comment</p>																																																														
<p>Comments on Provisions for all Service Providers – Article 3.1 (31 – 32) of the RTI</p>	<p>VFQ position is that the CRA should roll back and de-regulate the competitive markets while maintaining competitive safeguards. VFQ believes that the entire RTI should be re-worded as <i>“Except where explicitly stated, this section sets out provisions for DSP only.”</i> and all provisions should only be applicable to DSPs.</p> <p>To support its position, VFQ notes that the points on transparency and protection of retail customers are already enshrined in the Consumer Protection Policy issued in January 2014 (“CPP”), which the CRA has indicated will be subject to a refresh in 2018.</p> <p>Therefore, VFQ submits that table 1 should be revised as per the below:</p> <table border="1" data-bbox="465 1174 1048 1305"> <thead> <tr> <th rowspan="2">Type of SP</th> <th colspan="4">DSP</th> <th colspan="4">Non-DSP</th> </tr> <tr> <th>GTC</th> <th>Std. Tariff</th> <th>BLTL</th> <th>Bespoke Tariffs</th> <th>GTC</th> <th>Standard Tariff</th> <th>BLTL</th> <th>Bespoke Tariffs</th> </tr> </thead> <tbody> <tr> <td>Tariff Filling</td> <td>Y</td> <td>Y</td> <td>N/A</td> <td>Y (Quarterly)</td> <td>N</td> <td>N</td> <td>N</td> <td>N</td> </tr> <tr> <td>Approval</td> <td>Y</td> <td>Y</td> <td>N/A</td> <td>Y</td> <td>N</td> <td>N</td> <td>N</td> <td>N</td> </tr> <tr> <td>Publication</td> <td>Y</td> <td>Y</td> <td>N/A</td> <td>N</td> <td>Y</td> <td>Y</td> <td>N</td> <td>N</td> </tr> <tr> <td>Monitoring</td> <td>Y</td> <td>Y</td> <td>N/A</td> <td>Y</td> <td>Y</td> <td>Y</td> <td>Y</td> <td>Y</td> </tr> <tr> <td>Compliance</td> <td>Y</td> <td>Y</td> <td>N/A</td> <td>Y</td> <td>Y</td> <td>Y</td> <td>Y</td> <td>Y</td> </tr> </tbody> </table>	Type of SP	DSP				Non-DSP				GTC	Std. Tariff	BLTL	Bespoke Tariffs	GTC	Standard Tariff	BLTL	Bespoke Tariffs	Tariff Filling	Y	Y	N/A	Y (Quarterly)	N	N	N	N	Approval	Y	Y	N/A	Y	N	N	N	N	Publication	Y	Y	N/A	N	Y	Y	N	N	Monitoring	Y	Y	N/A	Y	Y	Y	Y	Y	Compliance	Y	Y	N/A	Y	Y	Y	Y	Y	<p>See the CRA's response above to VFQ's comment</p> <p>The CRA has made changes to the Table as outline above the section on Ooredoo's comments <i>“Comments on Provisions for all Service Providers – Filing, Publication, Approval and Monitoring of Tariffs”</i></p>
Type of SP	DSP				Non-DSP																																																											
	GTC	Std. Tariff	BLTL	Bespoke Tariffs	GTC	Standard Tariff	BLTL	Bespoke Tariffs																																																								
Tariff Filling	Y	Y	N/A	Y (Quarterly)	N	N	N	N																																																								
Approval	Y	Y	N/A	Y	N	N	N	N																																																								
Publication	Y	Y	N/A	N	Y	Y	N	N																																																								
Monitoring	Y	Y	N/A	Y	Y	Y	Y	Y																																																								
Compliance	Y	Y	N/A	Y	Y	Y	Y	Y																																																								

Topic	Key Comments Received	CRA Response
Comments on Provisions for all Service Providers – BLT	<p>VFQ is of the view that there should not be any restrictions based on the percentage of monthly revenue by relevant market for BTLT.</p> <p>VFQ therefore submits that the restriction on BTLT should be removed.</p> <p>If the CRA is adamant to have an ex-ante regulation for BTLT offers then we suggest retaining the earlier language in the CD#1 and increasing the percentage to 10% for uptake of a single campaign/offer in the Relevant Market.</p>	<p>For a non-DSPs the CRA will increase the amount of BTLT revenue for any Relevant Market, in any month to a maximum 5% of the total monthly revenues within the relevant market for the service.</p> <p>For information purposes and market transparency a non-DSP must keep records of the BTLTs. The CRA may ask for information on this if needs arise.</p>
Comments on Provisions for all Service Providers – Bespoke Tariff	<p>According to VFQ, Bespoke Tariff is a very broad term, including tenders, managed services with partners and all non-standard offers. VFQ would like to put on record that we cannot disclose tenders which have strict confidentiality restrictions especially in government tenders (more than 80% of the tenders in Qatar are Government tenders) which will automatically disqualify us.</p> <p>VFQ is of the view that the CRA has yet to explain the merit of requiring publication of a Bespoke Tariffs non-DSP, i.e. a Tariff which may apply to only one customer. The proposal of the CRA is not proportionate, unpractical and will generate non-compliance.</p> <p>VFQ therefore submits that as mandated by the Telecommunications Law, all Tariffs of only DSP should be pre-approved by CRA and Bespoke Tariffs be removed for non-DSP.</p>	<p>See CRA response above in Ooredoo section “ <i>Comments on Provisions for all Service Providers – Bespoke Tariffs</i>”</p>
Comments on Provisions for all Service Providers – Tariff Filing	<p>With reference to Article 3.2 (35) of the RTI, VFQ notes that the CRA proposes filing and approval of almost all Tariffs including tenders, Bespoke contracts and maintaining registers for BTLT offers but offers no rational as to why this is justified and proportionate as an obligation in markets deemed competitive and which problem this is supposed to address and the legal basis for such obligation.</p> <p>VFQ claims that to file all the Tariffs, provide all the information sought including objective justification it will need to recruit more personnel and we will need a reasonable grace period.</p> <p>Further, VFQ remain unclear about the “objective justification” requirement of the CRA and will need guidance from the CRA.</p> <p>In VFQ view it would be proportionate and justified from a consumer protection perspective to require non-DSP to publish their Standard Tariffs related to permanent or Promotional offers on their official website in accordance with their obligations to customers under the CPP. Publication should be on the day of commercial launch or on effective date of Tariff in a customer friendly format.</p> <p>VFQ notes that Filing requirements for the DSP are set in the Telecommunications Law and are adequately reflected in the CRA Table</p>	<p>The CRA wishes to remain informed of market developments and verify that SPs do not abuse of some instruments (e.g. BTLT extensively used instead of Standard Tariffs). However obligations have been reviewed to take into account SPs comments (e.g. for Loyalty Programs only a quarterly reporting is required, for BTLT SPs are only required to keep records for 12 months, etc.)</p> <p>The “objective justification” requirement has been removed from the New RTI</p>

Topic	Key Comments Received	CRA Response
	<p>VFQ states that it has undertaken a benchmarking exercise of retail regulation and notes that in relation to markets deemed competitive, the approach is consistent with the direction it has outlined above, namely to maintain provisions related to consumer protection.</p> <p>Moreover, VFQ states that it has not come across countries in Europe where non-DSP operators are subject to a full raft of rules such as:</p> <ul style="list-style-type: none"> <li>• imposing a blanket non-discrimination requirement and to ban geographic and other innovative pricing approach which deliver customer benefits and help investment by increasing demand; and</li> <li>• Requirement to notify tenders as no country in the world expects tenders to be notified to their regulator for the obvious reasons of confidentiality (single as well as multiple parties), highly competitive negotiations and the bespoke nature of the transaction.</li> </ul> <p>VFQ notes that the CRA's new filing and approval proposals in markets deemed competitive will give rise to significant and unjustified administrative burden and cost on the CRA and SPs.</p> <p>VFQ also believes that the CRA does not have the ability to comment on or approve all Tariffs within 10 days as we have noticed that it has taken the CRA one year and two months to adjudicate our fixed complaint which was a clear cut case with a breach admitted by Ooredoo.</p> <p>VFQ suggests to focus the limited resources of the CRA and SPs on high impact areas in line with international best practice. This can be done by re-focusing the RTI on DSP.</p> <p>According to the above, VFQ therefore submits that filing requirement for non-DSP should be removed. If filing requirements for non-DSPs are maintained, it should be specified here that it should be done on the day of commercial launch as per current practice.</p>	<p>The CRA is against geographic pricing in Qatar as it is difficult to implement and may result in widespread customer confusion. See also response to Ooredoo's comment on the same topic</p> <p>See explanation in Ooredoo Section above "<i>Comments on Provisions Specifically for DSPs – Timeframe to approve the Tariff</i>"</p> <p>The New RTI has clarified that non-DSPs can file at the latest on the day of commercial launch of the Tariff.</p>
<p>Comments on Provisions for all Service Providers – Tariffs Review and Approval</p>	<p>Overall VFQ agrees with the approval requirements because they are as per the Telecommunications Law.</p> <p>With reference to Article 3.3 (42) of the RTI, VFQ notes that as per the CCP, all services offered including Loyalty Program must have clear T&amp;C and criteria on how to earn loyalty points. Unless these Loyalty Points are being bundled with telecommunications services or given as incentive to port/take new service, VFQ</p>	<p>The CRA agrees that Loyalty Program must have clear T&amp;C and criteria on how to earn loyalty points. Loyalty Programs can be very influential on the decision of customers to Subscribe to a network See Ovum Report "<i>Key Telco Loyalty Programs Make Their Mark</i>" March 2018 (available at <a href="https://ovum.informa.com/resources/product-content/key-telco-loyalty-programs-make-their-mark">https://ovum.informa.com/resources/product-content/key-telco-loyalty-programs-make-their-mark</a>) therefore the CRA has confirmed that Loyalty Programs are Tariffs.</p>

Topic	Key Comments Received	CRA Response																		
	<p>believes that the Loyalty Program should not be included in Tariff category. However, VFQ agrees with the CRA that some form of oversight is required and at this stage and recommends that they be notified to the CRA. We would also like to highlight that VFQ has never received the CRA's previous Orders and communications referred here which was sent to Ooredoo only. For sake of transparency and clarity we reiterate our request for the CRA to share these with us.</p> <p>On Article 3.3 (44) of the RTI, VFQ submits that the Article 44 be revised as “<i>normal letter sent via official email</i>”.</p> <p>On Article 3.3 (45) of the RTI, as market Promotions are time sensitive and currently there are no certainty on CRA's response time lines, VFQ submits that this provision also has a timeline similar to the 10 days approval process in Article 5 (100) below.</p> <p>On Article 3.3 (46) of the RTI, VFQ is surprised that the CRA has added additional enforcement threat only against non-DSP such as ceasing BTLT and getting Tariffs pre-approved. VFQ is also concerned with the lack of qualification such as “material” breaches. It seems that the focus of the CRA is more on non-DSP instead of DSP which we find very unusual, out of step with the ARF and clearly disproportionate. VFQ therefore submits that 3.3 (46) should be deleted and that further enforcement on DSP such as “Publish non-compliance on CRA website; impose penalty or performance bonds for non-compliance by DSP; pursuant to Article 76 of the By-Law the CRA to issue an order requiring the DSP to divest itself of some lines of business if it deems that the DSP is abusing its dominant position or carrying out anti-competitive practices and bring civil proceedings to enforce compliance” should be added.</p>	<p>The CRA has changed the wording to remove “normal letter”.</p> <p>See explanation in Ooredoo Section above “<i>Comments on Provisions Specifically for DSPs – Timeframe to approve the Tariff</i>” The 10 days approval process applies also to the promotions, there is no need to change the RTI.</p> <p>The CRA considers this Article is required due to the recent illegal Tariffs offered by SPs in the business enterprise market. However, this being said it is only in exceptional circumstances that the CRA will likely invoke this clause.</p>																		
<p>Comments on Provisions for all Service Providers – Tariffs Publication</p>	<p>On Article 3.4 (47), VFQ recommends that based on the ARF the table should be as below:</p> <table border="1" data-bbox="465 1094 898 1302"> <thead> <tr> <th rowspan="2">Tariff Category</th> <th rowspan="2">Types of tariff</th> <th colspan="2">Tariff publication</th> </tr> <tr> <th>DSP</th> <th>Non-DSP</th> </tr> </thead> <tbody> <tr> <td>Standard tariff</td> <td>Permanent/promotional and Loyalty Program</td> <td>Y</td> <td>Y</td> </tr> <tr> <td>BTLT</td> <td>Promotional Tariff</td> <td>Y</td> <td>N</td> </tr> <tr> <td>Bespoke tariff</td> <td>Permanent Tariff</td> <td>Y</td> <td>N</td> </tr> </tbody> </table>	Tariff Category	Types of tariff	Tariff publication		DSP	Non-DSP	Standard tariff	Permanent/promotional and Loyalty Program	Y	Y	BTLT	Promotional Tariff	Y	N	Bespoke tariff	Permanent Tariff	Y	N	<p>Please see CRA table above in Ooredoo section “<i>Comments on Provisions for all Service Providers – Filing, Publication, Approval and Monitoring of Tariffs</i>”</p>
Tariff Category	Types of tariff			Tariff publication																
		DSP	Non-DSP																	
Standard tariff	Permanent/promotional and Loyalty Program	Y	Y																	
BTLT	Promotional Tariff	Y	N																	
Bespoke tariff	Permanent Tariff	Y	N																	



Topic	Key Comments Received	CRA Response
	<p>On Article 48, introducing billing requirements, VFQ notes that the CRA has provided no rational or justification for this requirement which is wholly impractical and will generate non-compliances.</p> <p>VFQ therefore suggests the following – “Tariffs are monitored by the CRA and VQ Tariffs are available at <a href="https://www.vodafone.qa/en/legal-and-regulatory/Tariff-documents">https://www.vodafone.qa/en/legal-and-regulatory/Tariff-documents</a>”.</p> <p>On the Bespoke Tariff, VFQ reiterates that this is a very broad term, including tenders, managed services with partners and all non-standard offers. VFQ would like to put on record that we cannot disclose tenders by publishing them which have strict confidentiality restrictions especially in government tenders (more than 80% of the tenders in Qatar which will automatically disqualify us. The CRA has yet to explain the merit of requiring publication of Bespoke Tariffs of non-DSP, e.g. a Tariff which may apply to only one customer. The proposal of the CRA is not proportionate, is impractical and will generate non-compliance.</p> <p>VFQ therefore submits that Bespoke Tariffs publication be removed for non-DSP.</p>	<p>For non-DSPs, the CRA has amended the statement to accommodate VFQ's comments :</p> <p>Please see comments in Ooredoo section of “<i>Comments on Provisions for all Service Providers – Bespoke Tariffs</i>”</p>
Comments on Provisions for all Service Providers – Promotional Offers	<p>With reference to Article 3.5 of the RTI, VFQ notes that customers sometimes are attracted to certain popular offers and request for its extension. VFQ is of the view that the extension of Promotions once would constitute a reasonable approach before they are deemed permanent offers in the market.</p> <p>VFQ therefore submits that Promotions be allowed to be extended once by prior notification before expiry of the original Promotion for another three months.</p> <p>In addition, VFQ believes non-DSP should be allowed to offer up to six (6) months Promotional offers.</p>	<p>In the New RTI, the CRA has confirmed that a Promotional Tariff must have 3 months maximum duration and must not be repeated until 6 months after the initial Promotion has expired.</p> <p>Any offer that is intended to run longer than 3 months or be repeated at regular intervals should be made a Permanent Tariff in the view of the CRA</p>
Comments on Provisions for all Service Providers – General Terms and Conditions (GT&Cs)	<p>VFQ asks the CRA to confirm the interim process as the forthcoming CPP has not even been shared for consultation. Also VFQ submits that this yellow box be removed from the RTI.</p> <p>On Article 3.6 (53) (d), VFQ notes that it advised against overly prescriptive processes by the CRA. VFQ therefore submits that this clause be reworded as “<i>any reasonable request for extension shall be acknowledged by the CRA to be valid.</i>”</p> <p>On Article 3.6 (54), VFQ asks to clarify various aspects (e.g. if the approval is not received in writing within 10 working days will the GTC be deemed approved? Does working day exclude national holidays such as EID? If yes, then the approval can be delayed over 25 days). VFQ therefore submits that 10 working days should exclude national holidays so that there are no unnecessarily long delays in CRA approval.</p>	<p>The CRA is in the process of updating the Consumer Protection Policy. SPs will be consulted on the new Policy. The consultation process will be managed by the CRA.s Consumer Affairs Department.</p> <p>The CRA does not see any convincing argument to change the current wording</p> <p>The responsibility of General Terms and Conditions will be moved under the remit of the Consumer Protection Policy. However, for the purpose of transparency the CRA will require that whenever the General Terms and Conditions are changed and submitted to the CRA for approval a copy of the General Terms and Conditions is copied to <a href="mailto:Tariffs@cra.gov.qa">Tariffs@cra.gov.qa</a>.</p>

Topic	Key Comments Received	CRA Response
	<p>On Article 3.6 (55), VFQ agrees that for consumer GT&amp;C the language must be plain language and easily understood but for Business Customers this should not be a requirement as the Master Services Agreement has many legally binding provisions which may not be simple. VFQ therefore submits that 3.6 (55) exclude Enterprise customers.</p> <p>On Article 3.6 (57), VFQ notes that it would be prudent to refer to the exact Article of the CCP being cross referenced here to avoid ambiguity. VFQ therefore submits that the CCP provisions be referenced here.</p>	
<p>Comments on Provisions for all Service Providers – Non-discrimination</p>	<p>On Article 3.7, VFQ's position on non-discrimination is that the non-discrimination obligations should apply solely for DSPs, as per Article 44 of the Telecommunications Law.</p> <p>VFQ notes that either the RTI replaces the License in the Annex and all clauses relating to the RTI or it does not. It cannot replace parts of the License. Further, the Annexure D of the Mobile License which required the Licensee not to afford any unjustified undue preference or exercise undue discrimination against a particular person or persons has, as explained by the CRA, has already been repealed and replaced by the RTI. Hence the CRA is able adjust the RTI and remove the non-discrimination requirement on non-DSP of the RTI.</p> <p>The current approach of the CRA will hinder the commercial strategies of the operators which are designed to enhance consumer welfare by increasing demand. The CRA has determined that some markets are competitive and hence that market forces, combined with ex-post provisions, are sufficient to address any competition problems. The design of the RTI must be consistent with the conclusions reached by the CRA.</p> <p>However, if the CRA, despite the arguments put forward by the industry wishes to include in the RTI an obligation to not discriminate then, VFQ 's comments are:</p> <ul style="list-style-type: none"> <li>• Reference should be made to no "undue discrimination" in line with the wording of the Telecommunications Law;</li> <li>• The CRA should prioritize practices of the DSP and not of the non-DSP. We note that it took the CRA 13 months to issue a non-compliance notice to Ooredoo for serious, clear-cut and multiple breaches of the ARF (launch of unapproved Tariffs, discriminatory and selective discounts etc.) regarding fixed enterprise services which hindered the development of the sector. However, it took only five months to the CRA to issue to VFQ a similar instrument for much more benign pricing practices which were introduced to respond to the illegal offers of Ooredoo.</li> <li>• We agree with the CRA that only the DSP should be required to provide justification.</li> </ul>	<p>The RTI replaces Annex D of a SP License which included non-discrimination obligations for non-DSPs. The RTI carries on those obligations, expands on, clarifies and in some instances keeps the obligations of Annex D.</p> <p>See response in Ooredoo section above "<i>Comments on Provisions for all Service Providers – Promotional Offers</i>"</p>

Topic	Key Comments Received	CRA Response
	Based on the above, VFQ recommends to align non-discrimination requirements to the Telecommunications Law by making reference to undue discrimination and solely to DSP.	
Comments on Provisions for all Service Providers – Discounts	<p>On Article 3.8, VFQ's position is that only DSP should be subject to any discounting restrictions. This is as per the Telecommunications Law and the principles which underpins it, namely to focus regulation where there is a market failure / dominance. However, if the CRA, despite the arguments put forward by the industry wishes to include in the RTI specific rules on discounts for both DSP and non-DSPs, then, VFQ's comments are:</p> <ul style="list-style-type: none"> <li>• We agree with the proposal of the CRA to have a maximum permissible discount percentage which by virtue of its magnitude is deemed not to undue discriminate and does not require any justification by non-DSPs. In that regards we welcome the change of approach of the CRA in the second consultation document as requiring an objective justification for each and every discount for services provided by a non-DSP and/or in competitive market would have been extremely cumbersome and neither justified nor necessary.</li> <li>• We consider that the non-DSP should be able to apply a discount of a greater magnitude than the DSP based on the principle of proportionality and fairness. As a non-DSP, VFQ considers that we should be able to offer discounts up to 20% and the DSP up to 15% maximum of the standard Tariff. This is to mitigate the incumbency advantages of the DSP which still control 95% of the fixed market. To attract customers, VFQ needs to be able to offer steeper discounts.</li> <li>• The CRA should monitor very closely the pricing of the DSP to avoid the selective and anti-competitive discounting of the DSP which have plagued the market. The regulatory failure whereby the DSP applied unapproved discounts in fixed markets for years must not repeat itself.</li> <li>• Regarding 3.8.1, VFQ understands that the provision means that specific Tariffs for particular customer or group of customers can be defined by non-DSPs without specific justification but that the maximum discount that can be offered on such Tariff is 20%. For example, assuming we have a standard plan available to the general public, we will be able to introduce a special plan for say, elderly people, consisting of the same services as the standard plan but say with a price half of the standard plan. As per the New RTI, it will suffice that we define clearly the qualifying criteria. For the "elderly plan", there will then be the possibility to offer discount of up to 20% of the standard price for the plan. We believe that this approach is reasonable for non-DSP. However, in the case of DSP, an objective justification will be required and approval required to ensure notably that the Tariff is not anti-competitive and above cost.</li> </ul>	<p>Promotions are not subject to restrictions. Moreover with Permanent Tariffs a SP will be free to determine the terms and conditions and fees and charges, subject to approval/notification.</p> <p>See response in Ooredoo section above "Comments on Provisions for all Service Providers – Promotional Offers"</p> <p>DSPs will have to demonstrate that even the 20% discount is above cost. This is already a form of asymmetric regulation.</p> <p>See response in Ooredoo section above "Comments on Provisions for all Service Providers – Promotional Offers"</p>

Topic	Key Comments Received	CRA Response
	<ul style="list-style-type: none"> <li>Regarding Article 3.8.2 we submit that the illegal discount should be phased out in 6 months' maximum. The illegal discount of the DSP has been on-going for many years and should be phased out faster.</li> </ul> <p>VFQ therefore submits that restrictions to discounting should be removed for non-DSP. If this is not acceptable by the CRA, we submit that that the CRA should allow non-DSP to offer discount up to 20% while capping discount level to 15% for DSP.</p>	<p>The CRA has included a 4 month period to phase out the illegal discounts.</p> <p>In meeting the SPs, the CRA has clarified that SPs are free to introduce new Tariff built to avoid bill shock to the customers.</p> <p>See response in Ooredoo section above "Comments on Provisions for all Service Providers – Promotional Offers"</p>
<p>Comments on Provisions for all Service Providers – Minimum Service period, etc.</p>	<p>On Article 3.9 (71):</p> <ul style="list-style-type: none"> <li>For Mobile, VFQ recommends that the Minimum Service Period be increased to twelve months (12) or at least (six (6) months for Postpaid consumers, so that SPs can offer to customer better value and loyalty benefits from Postpaid Plans. We base this on customer behavior where we find that most postpaid customers do not switch or change their postpaid lines like prepaid customers before six to eight months. For non-telecommunications services like ETR/special number, loyalty program and handsets only T&amp;C should be excluded from this restriction.</li> <li>For fixed: (a) Residential: current approach applicable to Ooredoo (12 months minimum service period) should be reflected in the RTI and extended to VFQ; (b) non-DSP fixed business customers where there is a capex investment, the minimum period should be allowed to be one to three years depending on the quantum of investment, payback period and other objective justification to be provided on an ex-post basis.</li> </ul> <p>If a customer is leaving the country we can exclude this as an exceptional criterion.</p> <p>On Article 3.9 (73), VFQ notes that additional benefits should be limited to non-telecommunications benefits in so far as there is no penalty/payment after the Minimum Service Period is complete.</p> <p>VFQ therefore submits that the CRA increase the minimum service period to 12 months for mobile and fixed residential. For non-DSP fixed enterprise customers, allow minimum services period of one, two, and three years. Any additional benefit to the customer should be limited to non-telecommunications services.</p>	<p>The CRA has kept to 3 months the Minimum Service Period.</p> <p>The CRA might accept longer durations of the contract if justified (e.g. special projects, with investments made only for a certain customers, which would generate sunk costs if the customers withdraw from the contract before a certain period of time) or penalties for termination do not exceed 3 months (i.e. penalties are only due – pro rate - if the customer cancel the contract in the first three months).</p> <p>Any arguments for having termination fees set at the remaining length of the contract (i.e. 8 months on a 12 month contract if the customer cancels after 4 months) are not supported (this is because if the customer is receiving a satisfactory service from the SP at a competitive price there is no incentive for the customer to terminate the contract early).</p>
<p>Comments on Provisions for all Service Providers – Minimum Validity Period of Credit</p>	<p>On Article 3.10 (74), VFQ states that it does not have any objection to the minimum validity period of credit on recharge or top up. However VFQ believes that this should exclude subscription services like mobile Internet packs or Add-ons/boosters which, due to industry trend and current practice, have validity period ranging from 1 day to 6 weeks for both operators. Also VFQ asks for clarity what the CRA means by "vouchers".</p>	<p>Consumer Protection Policy will prevail on the RTI.</p> <p>The CRA confirms this applies to credit and excludes subscription services like mobile Internet packs or Add-ons/boosters.</p>

Topic	Key Comments Received	CRA Response
	<p>VFQ suggests clarifying here that Minimum validity period applies to credit on recharge or top-up and excludes Data products or Extras.</p>	
<p>Comments on Provisions for all Service Providers – On net/off net pricing differentiation</p>	<p>On Article 3.10 (75), VFQ agrees with the CRA that this competitive safeguard should be maintained to avoid the network effects and the market tipping in favor of the largest operator.</p> <p>However, Closed User group (“CUG”) in Enterprise Tariffs were expressively approved by the Retail Tariff team on September 2, 2009 and has been part of our Tariff Notification ever since.</p> <p>Kindly refer to Article 2.3 of the latest version of our permanent Enterprise Tariff Notification dated September 3, 2018.</p> <p>Friends and Family calling in Consumer Tariffs are an established market feature and should continue to be excluded. Although our current plans do not have them currently, we have had these in the past and some customers on legacy plans continue to have this feature. We believe the CRA can restrict this to up to 2 numbers only.</p> <p>VFQ therefore suggests that CUG be excluded as per its own approval and Friends and family for up to 2 numbers also should be made as exception for consumers.</p>	<p>The CRA has kept the restriction on on-net/off-net pricing</p> <p>The CRA has clarified that calls within closed user groups for business Tariffs are excluded from this restriction.</p>
<p>Comments on Provisions for all Service Providers – Handsets and CPE</p>	<p>On Article 3.12, VFQ states that it fully supports the handset subsidy and the SIM only concept.</p> <p>However, please see our comments above on Article 1.1 above regarding providing handset subsidy through premium/ preferred partners.</p> <p>VFQ therefore suggests that the CRA mentions clearly here that handset sale cannot be combined with any telecommunication services offered by any third party in Qatar.</p>	<p>The CRA will maintain a general restriction on SIM locking and Handset subsidies. However there may be isolated incidents such as for satellite handsets where SIM locking will be allowed otherwise handsets will not be available in Qatar.</p>
<p>Comments on Provisions for all Service Providers – Easy to Remember Numbers (ETR)</p>	<p>On Article 3.13, VFQ is of the view that ETR should not be regulated. VFQ believes that non- telecommunications (non-Tariff) services such as ETR should be excluded from the RTI. SPs should be allowed to deal with the ETRs as they see fit after paying the requisite number fees as per the National Numbering Plan. VFQ is in particular not in favor of any audit by the CRA which we believe should focus on anti-competitive and consumer protection elements instead.</p> <p>VFQ therefore suggests removal of this clause from the RTI.</p>	<p>Numbers are a resource owned by the State of Qatar and not by the SPs. A SP may charge for a special number but all revenue received for the charging of numbers must be donated to charity.</p> <p>The National Numbering Plan will prevail on the RTI.</p>
<p>Comments on Provisions for all Service Providers – Geographic differentiation of charges</p>	<p>On Article 3.14, VFQ states that the CRA has provided no rationale for the blanket ban on geographic differentiation of charges applying to all SPs.</p> <p>VFQ is of the view that the obligation to offer uniform pricing all over Qatar should apply only to the DSP.</p>	<p>The CRA considers that geographic pricing will only result in confusion for consumers in the market and therefore does not intend to allow it.</p>

Topic	Key Comments Received	CRA Response
	<p>VFQ therefore suggests that CRA allow geographic differentiation of charges for non DSPs. Unless specifically approved DSP shall not engage in geographic differentiation especially targeting those areas where there is competition.</p>	
<p>Comments on Provisions specifically for DSPs – General Comments</p>	<p>On Article 4, overall, VFQ remains deeply concerned with:</p> <ul style="list-style-type: none"> <li>• Lack of focus and details on the provisions specifically applying to the DSP and their implementation (2 pages out of 20 pages)</li> <li>• The complete watering down of the provisions on wholesale enablers from CD#1 to CD#2 without any justification.</li> </ul> <p>According to VFQ, the RTI should set a framework that supports competing investment and sustainable competition while mitigating the risk of re-monopolization in mobile with Ooredoo leveraging market power from fixed to mobile. To achieve this objective, VFQ believes that a significant shift in the Draft RTI is necessary with proper focus on the regulation of the DSP in fixed and bundled offers and conversely the withdrawal of unnecessary restrictions in mobile and heightened filling and reporting requirements for non DSP.</p> <p>VFQ asks the CRA to clarify:</p> <ul style="list-style-type: none"> <li>• How is the CRA going to assess whether there are no cross-subsidies between services in a bundle?</li> <li>• Which cost standard does the CRA intend to use to ensure that competing investment in fixed is not deterred?</li> <li>• Which efficiency standard should be used given the market environment and Ooredoo dominance?</li> </ul> <p>VFQ recognizes that the Competition Policy issued by the CRA issued on 21 October 2015 (“Competition Policy”) provides some guidance on how the CRA will look at anti-competitive practices. However, the Competition Policy refers to ex post and not ex ante where different regulatory settings can be fully justified in light of the incumbency advantages and the regulator’s objectives. For instance, Ooredoo’s fixed network is fully deployed and a large part of it is already fully depreciated. It also has close to 95% market share. In those circumstances, adjustments are necessary to ensure that the competing investment necessary for sustainable competition take place. We submit that the methodology and parameters underpinning the economic framework and tests the CRA will use for the approval to be subject to detailed consultation.</p> <p>VFQ therefore suggests to revert back to a stricter replicability requirement including: “The DSP may not set a price of a service (including a bundle) such that, at the time of</p>	<p>With respect to wholesale enablers the CRA is simply being pragmatic. The CRA strongly supports the introduction of a wholesale regime. However one has yet to be introduced and the CRA cannot justify denying consumers the benefit of lower prices until one is introduced. That being said the CRA will not issue a blanket approval of all the Tariffs of DSP but will review each Tariff in terms of its potential to be anticompetitive through the requirement for the Tariffs of a DSP to be approved. In the meantime the CRA will use mechanisms other the New RTI to advance the introduction of a wholesale regime.</p> <p>The CRA has every intention of tackling these issues outside of the RTI. The RTI was never intended to be a document that details every possible issue applicable to Tariffs rather it’s a framework to guide SP on how tariffs should be filed with the CRA. There are other instruments under the regulatory framework such as the Access regime and Cost-Accounting regime that are better placed to tackle these issue. The CRA will address a number of these issues once it has a workable RTI in place.</p>

Topic	Key Comments Received	CRA Response
	<p>its introduction, the difference between the retail price and the price of the relevant corresponding wholesale service is such that a reasonably efficient competitor could not be expected to sustain a competing service. This requirement applies solely where the CRA has determined that an operator hold a dominant position in a wholesale market and/or control a bottleneck and is required to offer a wholesale service to allow other SP to replicate the retail offer of the DSP.”</p>	
<p>Comments on Provisions specifically for DSPs – Tariffs Review and Approval</p>	<p>On Article 4.2, VFQ agrees with the CRA’s filling and approval requirements for the DSP.</p> <p>However, VFQ considers that Section 4 of the RTI needs to be significantly augmented.</p> <p>To this end, VFQ invites the CRA to take as a starting point the Retail Tariff Notification Regulation of the TRA Bahrain and supporting Guidelines as a starting point and to adjust it to reflect the specificities of the market and the Telecommunications Law.</p> <p>VFQ welcomes and fully supports the introduction of wholesale enablers as pre-conditions to Tariffs changes and more generally the concept of economic and technical replicability.</p> <p>However, VFQ is of the view that the CRA needs to provide additional guidance in terms:</p> <ul style="list-style-type: none"> <li>• of how it sees this requirement working in practice, especially when there are different wholesale products available at various levels in the value chain</li> <li>• On the various parameters of the economic tests implied.</li> </ul> <p>In VFQ view, a DSP should file and seek formal approval from the CRA to introduce and change any Tariff, including bundles that include at least one element provided in a market in which an operator has been declared dominant. For the avoidance of doubt this should include changes that affect the prices of telecommunications services and any changes to the non-price terms (including terms and conditions) of Tariff which amount to a material change in the resulting price of the cost of provision of the services.</p> <p>VFQ therefore suggests that the CRA consults and provides additional clarity on the Tariffs rules, criteria, methodology, parameters and manner in which CRA will review and approve Tariffs. VFQ also submits that the CRA should make available to SPs the decisions of the CRA regarding Tariffs at the same time the DSP is informed.</p>	<p>See comment above in Section “<i>Comments on Provisions specifically for DSPs – General Comments</i>”</p>

Topic	Key Comments Received	CRA Response
Comments on Provisions specifically for DSPs – Bundles	<p>On Article 4.3, VFQ agrees that a core element of any rules around bundles is the question of replicability especially at a time when we can expect the introduction of converged fixed and mobile offers.</p> <p>VFQ therefore suggests that the CRA provides more clarity on how the replicability requirements will be assessed.</p>	See comment above in Section “Comments on Provisions specifically for DSPs – General Comments”
Comments on Provisions specifically for non-DSPs – Tariffs Filing and Review	<p>On Article 5, VFQ suggests the removal of filing provisions for non-DSP, or the following amendments to be included:</p> <ul style="list-style-type: none"> <li>• Specify that filing should take place no later than the day of commercial launch;</li> <li>• Article 5.1(102): VFQ advised against overly prescriptive processes especially when it will be in our interest to submit information in a timely manner. If the CRA wishes to maintain this provision and specific timelines, then we request the CRA to add at the end <i>“and the extension shall be granted with one working day”</i>.</li> <li>• Article 5.1(104) and Article 5.1(105): <i>“concern”</i> is vague and provide no certainty to SPs. VFQ understands that the purpose of the review is to assess consistency of the Tariff with the ARF and it would be disproportionate for the CRA to request a non-DSP to withdraw a Tariff in case the CRA has <i>“concerns”</i> with a Tariff. Any request for withdrawal should be justified and proportionate. Add <i>“material”</i> before concerns.</li> </ul> <p>VFQ therefore suggests removal of filing provisions for non-DSP. If the CRA wishes to maintain filing requirements, then include the requested changes above.</p>	<p>For non- DSPs filing can take place no later than the day of commercial launch.</p> <p>The CRA will maintain the current wording in the new RTI</p> <p>The CRA intends this as an action of last resort after all other possible relevant actions have been exhausted. The CRA has revised the RTI to clarify this.</p> <p>The CRA has maintained a filing requirement on the Standard Tariffs of a non-DSP (see above responses).</p>
Comments on Compliance and Monitoring	<p>On Articles 6.1 &amp; 6.2, VFQ considers that it is critical for the CRA to minimize the risk of regulatory failure whereby material non-compliances are not addressed in a swift manner.</p> <p>VFQ therefore recommends that the RTI focuses on the DSP and provide clear processes and appropriate timeline for enforcement. Further, VFQ suggests that like currently being done in the Consumer Protection Policy, all SP’s should self-certify that they are in full compliance with the RTI on an annual basis.</p> <p>Also, if Ooredoo does not comply with the revised RTI and specific cases are brought to CRA’s attention e.g. illegal fixed discounts but Ooredoo continues not to comply then VFQ should be able to respond to these without any liability or any enforcement action by the CRA.</p>	<p>It is the CRA’s position that non-compliances are addressed in a swiftest manner</p> <p>It is not possible to have a rigid timeline as the nature and extend of non-compliances are not consistent.</p> <p>The CRA does not support this proposal.</p>
Comments on Enforcement	<p>On Article 6.3(110), VFQ is of the view that any Order that the CRA may issue should be consulted upon and SP should be given an opportunity to comment.</p> <p>On Article 6.3 (110.1 and 110.2), VFQ reiterates comments made on Article 3.3 (46) above. VFQ is surprised that the CRA has added additional enforcement threat only</p>	<p>The CRA does not intend to consult on Orders defining the remedies for tackling the non-compliance and does not see any benefit this will bring.</p> <p>Non-DSPs do not require Tariff approval and can offer BTLTs. Any changes to these or other light-handed conditions of a non-DSP would be in extreme circumstances and</p>



Topic	Key Comments Received	CRA Response
	<p>against non-DSP such as ceasing BTLT and getting Tariffs pre-approved. VFQ is also concerned with the lack of qualification such as "<i>material</i>" breaches. It seems that the focus of the CRA is more on non-DSP instead of DSP which is very unusual, out of step with the ARF and clearly disproportionate.</p> <p>On Article 6.3(110.4), VFQ is of the view that the CRA has provided no rationale for the introduction of this provision, its legal basis and consistency with the ARF.</p> <p>Based on the above, VFQ therefore suggests</p> <ul style="list-style-type: none"> <li>• Redrafting Article 110. "In addition to the Above the CRA shall take adequate actions to protect the Customers following due process."</li> <li>• delete 110-1 to 1110.4</li> </ul>	<p>would be invoked only after breaches which have been addressed with instruments such as an Order or Notice of Non-Compliance have not ceased.</p>
<p>Comments on Annex III – Tariff Document Template</p>	<p>VFQ believes that the Annex III is fine for Permanent Offers but a bit excessive for Promotions and suggests the CRA to have a simpler one without the following:</p> <ul style="list-style-type: none"> <li>• Definitions</li> <li>• SP obligations;</li> <li>• Customer Obligations</li> <li>• SLA</li> <li>• Equipment and technical interfaces</li> </ul> <p>VFQ therefore suggests having two sets for DSP and non-DSP and allowing a lighter template for Promotions.</p>	<p>The CRA has reviewed the Template taking into account the comments received.</p>

### 3 Table of Responses to Service Providers' comments from Sanity Check

10. The tables below present an overview of the key comments received and the CRA's response.

#### 3.1 CRA's responses to Ooredoo comments

Topic	Key Comments Received	CRA Response
Service Provides to ensure regulatory compliance of 3rd parties	Ooredoo does not accept such an obligation, which is without any legal basis. The CRA's role as the regulator for the sector is in fact to ensure compliance with the regulatory framework and instead of trying to shift or delegate this responsibility to Licensees, the CRA should publish the guidelines that clarify the telecommunications services and related activities that require an Individual or Class license as per Article 10 of the Telecoms Law and Article 8 of its Bylaw.	The CRA see this process as the Licensee enforcing contracts they sign with third parties who provide the service. The CRA is not privy to these contracts nor are the third-parties subject to the ARF. There appropriate entity to police the actions of the third-parties is the Licensee with whom they have a relationship. After meeting Ooredoo, the CRA specified that this applies to authorized dealers, which was agreed by Ooredoo. The RTI has been amended accordingly.
Ad hoc tariff decisions	It is widely acknowledged that regulations need to be amended from time to time through open consultation processes. However, the CRA's inclusion of an open-ended regulation (i.e. para 1.2.10) that would allow the CRA to make tariff decisions, which are not in accordance with the 'effective' RTI promotes distrust among the parties. Such a practice also negatively impacts investment decisions as service providers cannot anticipate forthcoming regulatory decisions and how they will impact business planning.	The new RTI cannot possible account for all situations that may arise with respect to Tariffs. If one arises that is not within the scope of the RTI the CRA must still be able to take the appropriate regulatory action. However it will justify its decisions.
Retail Services	Although the CRA clearly references in para 32 that all "retail services" as defined by the definition of a 'telecommunications service' in the Bylaw must be offered pursuant to a tariff, it includes non-telecommunications services as part of its retail tariff regulation. The non-telecommunications services it proposes to regulate under the umbrella of retail tariff regulation include General Terms and Conditions of Service, Loyalty Programs, Billing Practices, Easy to Remember Numbers, Minimum Validity Periods of Credit and Wholesale Offers	Some of the telecommunications services listed such as General Terms and Conditions and Minimum Validly Period etc. and numbering will be moved to the appropriate regulation within the ARF. Others such as Loyalty Programs will remain in the RTI as they are relevant to Retail Tariff Regulation
Loyalty programs	Attempts to define a loyalty program as a retail tariff is without legal basis	The CRA disagrees with Ooredoo and considers a Loyalty Program to be a Retail Tariff. After meeting Ooredoo, the CRA clarified that Loyalty Programs do need filing and publication within a Tariff Document.

Topic	Key Comments Received	CRA Response
Below the Line Tariffs (BTLT).	The CRA has introduced a new regulation previously not included as part of CD1&2 that requires Service Providers to keep records of the type of offers and incremental revenue they generate for at least 24 months from the date of the introduction of the BTLT with the option of the CRA asking for reports and records to ensure compliance	The CRA has reduce the requirement from 24 months to 12 months. While these records are required to be kept by the SP offering BTLT the CRA will only request to view them if it believes a SP is providing the BTLT through a process that is not compliant with the RTI.
General Terms and Conditions (GT&C).	As indicated above Ooredoo will not adhere to the illegitimate use of the ARF, which is proposed as part of Section 3.6, even on an interim basis. General Terms and Conditions which address a wide range of consumer issues do not meet the legal definition of a tariff	GT&C will be the responsibility of the forthcoming Consumer Protection Regulation
Bespoke Offers: non-competitive markets	As discussed at the meeting with the CRA on the 1st of October, Ooredoo agrees to provide the CRA with quarterly reports regarding bespoke offers in non-competitive markets. These reports, where there is Ooredoo management approval, will document the applicable tariffs, the level of discount and the number of companies to receive a specific discount in a given quarter.	The CRA will maintain its approach of requiring all Bespoke Offers to be filed with the CRA after the contract for the Bespoke Offer has been signed by the customer. This gives the CRA the maximum amount of transparency of Bespoke Offers. After meeting Ooredoo, the CRA asked Ooredoo to prove its claim that the filing is an excessive burden. Ooredoo did follow up on this with a letter dated November 6, 2018. The information provided by Ooredoo were not credible (i.e. Ooredoo claimed that all illegal discounts introduced in the market from 2010 to 2017 were bespoke tariffs).
Tariffs—Review and Approval	Table 5 in Section 3.3. that indicates the types of tariffs that require explicit CRA pre-approval is confusing as it includes bespoke tariffs and non-retail telecommunications services, i.e. 'loyalty programs.' Obviously, loyalty programs must be removed from the table. In terms of bespoke tariff approval, we ask the CRA to clarify that this requirement is a reference to the approval of a discount range for such solutions	Loyalty Programs do not require CRA notification or approval. They require to be reported in a quarterly basis as outlined in the RTI. Bespoke tariffs of a DSP must be approved if new Tariffs are included as component of the Bespoke Tariff. For example if the Bespoke Tariff has 4 components A, B, C and D, and A, B and C are approved Tariffs but D is a new Tariff only D is required to be filed for Approval by the DSP. When the contract is signed A,B, C and D must be filed by the DSP (and non-DSP).
Tariffs-Publication.	Table 6 in Section 3.4 indicates that SPs must publish tariffs for loyalty programs on their websites, which is not possible considering that loyalty programs do not have tariffs.	Loyalty Programs requires publication on the SP's website but not in a Tariff Document. The publication shall include terms and conditions of the scheme and the text must be clear and easily readable to customers.
Introduction of approved/notified Tariff	We do not support shortening the period for introducing a tariff into the market by 3 months. SPs should be afforded a period of up to 6 months as is the case today in order to allow for product development particularly needed for the introduction of new services	A period of up to 6 months now applies
Promotional Tariffs/Offers	Ooredoo maintains its position that a regulation that seeks to cap the amount of discounts offered at 20% has no benefit to competition or consumers and in fact negatively impacts the sector	Promotional Tariffs are not subject to the 20% cap

Topic	Key Comments Received	CRA Response
Non-discrimination	.Ooredoo is confused by the wording in paras 65.1 through 65.3. The implication of this wording is that 'tariff' and 'tariff document' are different things, which we understand to be one and the same as per the definition of a tariff provided in the Bylaw. As a result, we are not clear on what the CRA is asking for. We are also confused by para 66, which requires DSPs to submit 'sufficient' justification regarding any discrimination without identifying what this justification is.	The CRA has corrected the wording to remove any confusion.
Illegal discounts.	This section is confusing and we ask the CRA to clarify which discounts are illegal considering that it plans to: <ul style="list-style-type: none"> <li><input type="checkbox"/> pre-approve all discounts up to 20% as part of permanent tariff filings for all markets for retail telecommunications services</li> <li><input type="checkbox"/> approve discounts greater than 20% as part of permanent tariff filings for non-competitive markets where they are above cost;</li> <li><input type="checkbox"/> preapprove discounts greater than 20% for promotional offers where they are offered as permanent tariffs for competitive markets</li> <li><input type="checkbox"/> pre-approve all BTLTs for competitive markets</li> </ul>	The CRA has put a definition of Illegal Discounts into the RTI. Ooredoo is very aware of the illegal discounts already known by the CRA. In meeting Ooredoo, this was also discussed and clarified.
Discounts.	In Section 3.8, CRA sets a discount threshold, which is effectively a price floor, without substantiation except for a claim that the threshold is based on the "CRA understanding of the profitability of the SPs." The methodology that the CRA used for determining the profitability levels of SPs has not been disclosed. As far as Ooredoo is aware, regulators do not set price controls without first agreeing upon the methodologies for doing so with service providers. Moreover, setting price controls for competitive markets is against regulatory best practices	The discounts are not price controls. Table 8 of the RTI provides full clarity on this topic.
Minimum Service Periods, commitment periods and cancellation Policy	Minimum service periods, commitment periods and cancellation policies are outside the scope of tariff regulation. The CRA has approved Ooredoo's GT&Cs, which address all of these consumer protection issues. Furthermore, the CRA's new proposal that would enable retail customers not to have to pay for services where still under a minimum service period if an SP makes a change to the terms and conditions of a contract is impractical. Customers must acknowledge to pay for services through a minimum service period even where changes are made, which is standard practice for retail telecommunications services worldwide. Service Providers simply cannot be expected to plan needed changes from time to time according to customer subscription dates	The minimum service period of 3 months shall remain in the RTI. The CRA considers that a service period of this length should not be a problem to the SP as long as they are providing a satisfactory service to the customer at a price they consider fair and equitable. SPs are reminded that actual contract lengths may be greater than 3 months and that for Bespoke Tariffs where the terms of the Tariff are in response to a Tender the minimum service period will be the requirements of the Tender.
Minimum validity Period of Credit	As indicated in our response to CD2, regulations regarding minimum validity periods of credits are misplaced as part of tariff regulations.	A Minimum Validity Period (MVP) is an important part of consumer protection. SPs will have a chance to comment further on MVP in the forthcoming Consumer Protection Regulation.

Topic	Key Comments Received	CRA Response
Tariffs—Filings	The CRA continues to include regulations that link the approval of 'retail' tariffs with 'wholesale' tariffs. As explained in Ooredoo's responses to CD1 and CD2, there is no requirement under Qatar's Telecoms Law or its Bylaw for such a linkage. Accordingly, the CRA has no legal basis for linking the approval of a retail tariff to the availability of a 'wholesale offer' in Qatar. As explained previously, the Reference Infrastructure Access Offer (RIAO) does provide competitors with access to duct	As the CRA outlines above it is common regulatory practice to link retail tariffs of a dominant service provider with the wholesale offers it makes to other service providers competing against it in the retail market. For example a recent decision from ComReg, the Irish regulator when setting the prices that Eir the dominant SP in Ireland must apply for next generation (NG) FTTC-based VUA services states that <i>"When launching a bundle, Eir will be subject to an ex ante price squeeze test between the retail price of the bundle and the price of the broadband wholesale inputs that can be used by ANOs to replicate the offer"</i> See: <a href="https://www.comreg.ie/">https://www.comreg.ie/</a>
Tariff Review and Approval	Para 86.3 is another example of an open-ended regulation that can potentially lead to abuse of the regulatory process. This para enables the CRA for example to ask for 'any' other information it deems necessary to assess the validity of tariffs.	The CRA has changed the wording to so that it can only ask for information that relates to the Tariff submission.
Tariff Review and Approval	The CRA has not provided a justification to support its decision to double the time it takes to approve, object or extend the period of tariff review from 5 to 10 days. The CRA has also not indicated how long a DSP has to respond to a CRA information query in this regard	This was already responded to.
Tariff Review and Approval	The new regulation proposed as part of para 102 referring to approval of bespoke tariffs through a fast track process is contradictory to text under Section 3.2—Tariffs—Filing—that refers to quarterly reports.	The CRA does not believe the two sections to be contradictory.
Bundles.	Ooredoo's view is that the only relevant consideration regarding the regulation of bundled offers is the potential of such offers to foreclose a market to another SP. In this respect, the CRA should be concerned about whether the price of the bundle is below the combined cost of the bundled service.	By its nature, if a bundle is introduced a DSP which is not replicable by a non-DSP due to a margin squeeze issue where an appropriate wholesale product exists or where an appropriate wholesale product does not exist all then this will foreclose the market to the non-DSP. Therefore it is important that the CRA considers each bundled product from a DSP ex ante on its own merits.
Enforcement.	Ooredoo strongly objects to the proposal described in para 120.3 that would require an SP to withdraw a Tariff based on publication of misleading GT&Cs. If anything, the Order should actually be to withdraw the GT&Cs if they are in fact misleading by any reasonable determination.	The CRA would not be performing its duties if it allowed a misleading tariff to remain in the market.
Glossary, Acronyms and Abbreviations	The term for 'General Terms and Conditions' is inaccurate. General Terms and Conditions are not terms and conditions for tariffs. In fact the terms and conditions of tariffs are tariffs as per the definition in the Bylaw. GT&Cs represent the wider legal contract that governs the relationship between an SP and its customers. Loyalty Programs are not necessarily 'promotions and incentives' granted by the SPs to customers. They are in fact rewards programs that are designed to entertain customers, understand their preferences and reward them for their patronage. Lastly	The CRA has amended the definitions taking into accounts Ooredoo's comments.

Topic	Key Comments Received	CRA Response
	a Minimum Service Period is not a period after which "no fees are payable for the termination of the contract."	

### 3.2 CRA's responses to Qbn comments

Topic	Key Comments Received	CRA Response
Bespoke Tariff	Definition BT should read a 'Bespoke Tariff' rather than a Permanent Tariff	A Bespoke Tariff is a permanent tariff only it is not a promotional tariff
Changes to a Tariff	Is it sufficient to simply publish on the SP's web site tariff Pages?	The SP must ensure that all changes thereof a Tariff are successfully communicated to affected Customers. The simple publication on the website is not sufficient.
Enforcement	In the event of non-compliance, it shall may result in one or a combination of the following enforcement provisions as stipulated under the Telecommunication Law	The CRA will remain with "shall" rather than "may"

### 3.3 CRA's responses to Vodafone Qatar comments

Topic	Key Comments Received	CRA Response
Direction of RTI	<p>Overall concern is that directionally the RTI still goes in the wrong direction - will increase regulatory burden on non-DSP with no / limited if any increase on the DSP despite 2 rounds for consultations and industry consensus on key issues. There is a lack of economic and legal rationale.</p> <p>RTI not pro-consumers &amp; not supporting competing investment</p> <p>As challenger investing massively in fixed, we need a supporting environment to neutralize OO advantages &amp; commitment from the CRA to take enforcement actions. The RTI fails to achieve this</p>	<p>The CRA does not agree with Vodafone that the RTI provides increased regulatory burden on Non-DSP.</p> <p>Non-DSP are required to notify Tariffs only on the day of launch in a similar manner as the in the RTI of 2015.</p> <p>However in the new RTI Vodafone may offer a range of discounts up to 20% on Standard Permeant Tariffs, put forward Tariff for any sector or group of customers, etc. without justifications required.</p>
Instrument	<p>We understand from discussion with the Legal Team an instrument like an instruction may have less legal standing that an Order from an enforceability perspective. CRA should therefore consider carefully the choice of instrument</p>	<p>The "Instructions" will be issued by a President Decision and published in the Official Gazette.</p>
Effective Date	<p>Effective date should be 1-2 months from the issuance of the RTI to give SPs sufficient time to prepare for the new obligations and associated reporting requirements</p>	<p>The RTI has an effective date of 1 January 2019</p>
Contrary to the Applicable Regulatory Framework	<p>The direction of the Draft RTI remains contrary to the Applicable Regulatory Framework ("ARF"), economic principles and good regulatory practice which require to focus ex-ante regulation on the Dominant Services Provider ("DSP"). Instead of focusing regulation on competition problems in line with the CRA's latest market review findings and economic principles, the RTI increases regulation in competitive markets (18 pages out of 20 pages relate to the regulation of non-DSP) and keep constant the regulation on the DSP. CRA's approach is burdensome and will adversely affect time to market, lead to micromanagement (as we have seen recently) in markets found competitive by the CRA in 2016 and will generate "technical non-compliances".</p>	<p>There are a number of substantial differences between DSPs and non-DSPs in the RTI.</p> <p>While both types of SPs are required to publish their Tariffs, DSPs require pre-approval of all Tariffs and to justify they are above cost.</p> <p>Non- DSPs require notification only on day of launch.</p>
Designing Regulation	<p>There are limits to what the CRA can do. In, the CRA must act within the confine of the ARF and have due regard to the principles of (see our letter dated 6 September 2018:</p> <ul style="list-style-type: none"> <li>- Proportionality</li> <li>- Compliance</li> <li>- Clarity and certainty</li> <li>- Transparency, accountability and enforcement</li> </ul>	<p>The CRA is confident that the new RTI is a significant improvement from the RTI published in 2015 in terms of:</p> <ul style="list-style-type: none"> <li>- Compliance</li> <li>- Proportionality</li> <li>- Clarity and certainty</li> <li>- Transparency, accountability and enforcement</li> </ul> <p>Furthermore the RTI reflects current practices of SP in the market and where these practices are not in compliance with the ARF attempts to implement measures that will ensure future compliance.</p>
BTLT	<p>BTLT are not promotional but "customized</p>	<p>The CRA considers that BTLTs are promotional. However they will not be subject to the repetition restrictions applicable to promotions.</p>



Topic	Key Comments Received	CRA Response
	<ol style="list-style-type: none"> <li>1. We understand that the CRA is concerned with the potential market distortion of BTLT although they provide benefits to consumers. As per our discussion, see our proposed changes. We can report and be audited against this wording.</li> <li>2. The current wording of the CRA is not workable as it would require BTLT offers to amount to &lt;5% of the incremental value of the market. Not clear what this means?</li> <li>3. To give headroom for growth for personalized pricing and given the benefits it provides to customers, our preference is a cap at 10% and not 5%</li> </ol>	<p>The CRA has changes the wording to provide more clarity</p> <p>The CRA prefers to stick with a level of 5% at the moment. In the future if this level appears restrictive the CRA will consider a higher level</p>
Loyalty Program	Amend the definition of Loyalty program to “Point based incentive program to reward customers for their loyalty.” To ensure OO does not misuse their Loyalty programs for other than the criteria notified.	The definition of Loyalty Programs has been changed following VFQ suggestions to reflect their purpose of rewarding customers for their loyalty to a SP
Additional Enforcement Threat	We are surprised that the CRA has added only against non-DSP such as ceasing BTLT and getting Tariffs pre-approved. We are also concerned with the lack of qualification such as “material” breaches. It seems that the focus of the CRA is more on non-DSP instead of DSP which we find very unusual, out of step with the ARF and clearly disproportionate. In any case the CRA will be required to consult the industry prior to modifying the scope of the RTI.	This paragraph has been moved to the Enforcement and Compliance section and the reference specifically to non-DSPs having their tariffs removed has been corrected.
Billing	Tariffs are monitored by the CRA and our tariffs are available at <a href="https://www.vodafone.qa/en/legal-and-regulatory/tariff-documents">https://www.vodafone.qa/en/legal-and-regulatory/tariff-documents</a>	The CRA has amended the relevant clause to accommodate VFQ’s concerns.
Promotions	There should be the possibility to renew once and/or to have a six months’ promotion. As explained during our meeting, this could assist VQ as a challenger in the fixed line market.	Promotions will run in the market for 3 months. The benefits associated with promotions may last longer than 3 months
General Terms & Conditions	This should not be part of the RTI – The RTI is about tariffs	The GT&C has been removed from the RTI and put in the forthcoming Consumer Protection Regulation (CPR). As noted in this response document there will be a requirement to file a copy of the GT&C to the Tariffs email address whenever they have been submitted for approval under the requirement of the CPR
Discounts	<ul style="list-style-type: none"> <li>• We agree with the implied consequence of this statement that a challenger must be able to economically replicate the price of the DSP.</li> <li>• The non-DSP should be able to apply a discount of a greater magnitude than the DSP based on the principle of proportionality and fairness. As a non-DSP, Vodafone Qatar considers that we should be able to offer discounts up to 20% and the DSP up to 15% maximum of the standard tariff. This is to mitigate the</li> </ul>	<p>The CRA agrees too. See above responses on the same topic.</p> <p>The RTI put forward an asymmetric regulation, where the DSP has to even justify the 20% discount, while the non DSP is not required to.</p>

Topic	Key Comments Received	CRA Response
	<p>incumbency advantages of the DSP which still control 95% of the fixed market. To attract customers, Vodafone Qatar needs to be able to offer steeper discounts.</p> <ul style="list-style-type: none"> <li>• Please clarify what sufficient justifications may be acceptable?</li> <li>• Why apply it to promotion? Should not apply to promotion</li> </ul>	<p>The DSP must justify that the 20% discount keeps the price above cost. 20% rule does not apply to promotions</p>
20% Discounts	<p>We agreed with the proposal of the CRA in the second consultation document to have a maximum permissible discount percentage which by virtue of its magnitude is deemed not to undue discriminate and does not require any justification by non-DSPs. This means that SPs should have discretion to offer to different customers different prices provided that the discount of the standard rate is &lt;=20%. There should not be additional requirement to segment customers</p>	<p>In permanent tariffs a SP may include a discount matrix or range up to 20%. Within this matrix or range a SP can offer different discounts to different customers.</p>
Illegal Discounts	<ul style="list-style-type: none"> <li>• Vodafone Qatar is committed to comply with the requirements of the CRA to phase out the “illegal discounts” and to do that a similar commitment is necessary from Ooredoo so that a level playing field is created. In that regards, we also recommend that the CRA be prepared to take swift enforcement actions.</li> <li>• From a practical stand-point, the phasing out needs to be carefully coordinated to avoid extreme market reaction and to mitigate consumers’ issues keeping in mind the legal obligations of services providers (“SP”). Hence we recommend the organization of an industry-wide meeting by the CRA on how to proceed. We also recommend the use of the existing template for reporting purposes.</li> <li>• 15 working days should be feasible provided that the effective date of the regulation is between 1 to 2 months from the issuance date</li> <li>• Precise approach to be coordinated by the CRA with the SPs to minimize negative consumer impact – see above comments.</li> </ul>	<p>The CRA has amended the RTI to accommodate Vodafone’s comments.</p>
On-net/off-net price differentiation	<p>CUG should be excluded – already in place in the market</p>	<p>CUG are allowable for business and enterprise customers.</p>
easy to remember” (ETR) / “premium numbers	<p>ETRs are not notified or cannot be considered as tariffs and hence should be excluded from the RTI. There is no legal basis for this provision. Further as discussed with the CRA in the context of the National Numbering Plan, it was agreed that the proceeds from the auction of ETR could go to CSR and that this would be reflected in the NNP</p>	<p>The National Numbering Plan will prevail on the RTI.</p>

Topic	Key Comments Received	CRA Response
Provisions specifically for DSPs	<ul style="list-style-type: none"> <li>We have serious concerns with the CRA's stance which continue to ignore completely our comments re the DSP. In effect this RTI strengthens regulation on non-DSP with threat to regulate tariffs of non DSP while there are no material changes to DSP regulation. This is contrary to the ARF, economic principles. Regulatory practice and CRA's market findings. The CRA is rewarding OO for its non-compliance with the ARF.</li> <li>Long term sustainable competition) should not be taken for granted; it requires a level playing field– at present VQ's CAPEX intensity is █████ against a mere █████ for Ooredoo. We do not ask for a guaranteed return but for a regulatory regime which gives VQ a reasonable chance to earn a return.</li> <li>For instance, Ooredoo's' fixed network is fully deployed and a large part of it is already fully depreciated. It also has close to 95% market share. In those circumstances, adjustments are necessary to ensure that the competing investment necessary for sustainable competition take place.</li> <li>At the very least we ask for some wording that would allow the CRA to exercise its discretion when reviewing Ooredoo tariffs to ensure that the tariff can be economically replicated by a reasonably efficient operator.</li> </ul>	<p>The CRA has made a number of comments in this document pertaining to where it sees the new RTI as an improvement over the existing RTI for all SPs. In no instance in the new RTI does the CRA “reward Ooredoo for its non-compliance with the ARF” The CRA takes all instances of non-compliance with the ARF seriously regardless of Licensee. The new RTI has emerged as a consequence of recent non-compliances by Ooredoo and Vodafone with the ARF. The new RTI has been drafted in a manner to remove these non-compliances and to ensure they do not occur again in the future.</p> <p>The purpose of regulation in a non-competitive market is to put in place a framework that allows competition to develop over the long-run. In this respect there are a number of restrictions on DSPs ranging from ex ante preapproval requirement to the association of retail tariffs with wholesale products. However having said this there is still a balance required that allows fair and equitable competition between a DSP and a non-DSP. There cannot be instances where a DSP is penalized to the extent that it cannot compete in a market. Nor can there be instances where a non-DSP is allowed a “free-ride”. The CRA consider that the new RTI is a viable tool to allow fair and equitable competition to develop in all telecommunications markets in Qatar.</p>
Enforcement and Compliance	<ul style="list-style-type: none"> <li>Text to be updated to make reference to penalty committee</li> <li>What are the actions planned by the CRA for the continuous breaches of the RTI by the DSP? The CRA has yet to issue fine or take specific enforcement actions against Ooredoo.</li> <li>We are surprised that the CRA has added additional enforcement threat only against non-DSP such as getting Tariffs pre-approved. We are also concerned with the lack of qualification such as “material” breaches. It seems that the focus of the CRA is more on non-DSP instead of DSP which we find very unusual, out of step with the ARF and clearly disproportionate. In any case the CRA will be required to consult the industry prior to modifying the scope of the RTI. This is all the more surprising when the DSP has been found in breach of the ARF for competition impacting issues such as delaying and frustrating for many years duct access, FNP, refusing to comply with CRA orders related to the introduction of bitstream and leased lines, for false and misleading advertisement illegal discounts in fixed enterprise markets to name just a few. However, they have been no consequences in terms of penalties, fines or public prosecution for these breaches.</li> <li>Suggested change: delete para 108 and replace it by “<i>In addition to the above the CRA shall take adequate actions to protect the Customers</i>”</li> </ul>	<p>The text now includes reference to the penalties.</p> <p>A present, the CRA's preferred method of enforcement against non-compliance with the ARF is to issue a non-compliance notice. However, this does not rule out the possibility of fines or specific enforcement actions should the non-compliances continue.</p> <p>The reference to the possibility of non-DSPs having tariffs removed for their continued breaches of the regulatory framework has been changed to the possibility of any SP (DSP or non-DSP) having their tariffs removed for continued breaches of the regulatory framework.</p> <p>It is extremely difficult to predefine “material breaches”. The CRA will look at any and all breaches and if it considers them as material will in association with the SP discuss the possibility of penalty actions.</p> <p>The CRA does not agree with VFQs suggested replacement for para 108</p>

Topic	Key Comments Received	CRA Response
	<ul style="list-style-type: none"><li data-bbox="465 252 1245 335">• The CRA has provided no rational for the introduction of this provision, its legal basis and consistency with the ARF. Provisions will give rise to discrimination between customers.</li></ul>	The CRA considers this a viable option when illegal tariffs have been introduced by a SP and their withdrawal will greatly disadvantage a customer.