

**Notice**  
**to Ooredoo Qatar, Vodafone Qatar and**  
**Qatar National Broadband Network**  
**(Qnbn)**  
**for a**  
**Revised Reporting Obligations following**  
**the Market Definition and Dominance**  
**Designation 2016 (CRARAC 09/05/2016**  
**A, dated May 09, 2016)**

**“MDDD 2016 Reporting Notice”**

**CRARAC 2017/05/02**

**May 2, 2017**

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## 1 Background

1. The process for setting up the revised Market Definition and Dominance Designation (MDDD) Reporting started on August 14, 2016, when CRA asked Ooredoo Qatar ("Ooredoo"), Vodafone Qatar ("Vodafone") and Qatar National Broadband Network ("Qnbn"), "the Service Providers (SPs)", for views on CRA's proposed new reporting framework (ref. our letter CRA/RAC-E/097/2016).
2. The SPs submitted their views and comments by September 25, 2016, consistent with the deadline set by CRA (ref. our letter CRA/RAC-E/109/2016, dated August 30, 2016).
3. On October 30, 2016, an Industry Meeting was held to discuss the subject matter.
4. On November 8, 2016, the CRA sent to the Service Providers the presentation delivered during the Industry Meeting, along with the minutes of the meeting, which included the agreed action points (ref. CRA/RAC-E/144/2016).
5. On November 29, 2016, CRA sent to the Service Providers a letter fulfilling the actions points agreed during the Industry Meeting, along with specific clarification required by Vodafone, the updated Future MDDD Reporting Format Template (ref. CRA/RAC-E/148/2016).
6. On January 5, 2017, CRA sent an email asking the Service Providers to provide their comments and suggestions on the above letter. An official letter was also sent on January 12, 2017 (ref. CRA/RAC-E/003/2017).
7. On January 12, 2017, the Service Providers provided their comments and suggestions on the agreed items.
8. On April 10, 2017 the CRA issued a consultation on this Regulation/Instruction, asking for both comments and redline of the Draft Notice from the SPs (ref. CRA letter CRA/RAC-E032/2017 and attached Draft Notice CRARAC 2017/04/10).
9. On April 18, 2017:
  - 9.1. Ooredoo provided its comments, with attached a redline of the Draft Notice (ref. Ooredoo letter OQ/Reg-4888/2017-04);
  - 9.2. Vodafone submitted its comments (Ref. Vodafone letter 170418 LT to CRA);
10. On the same date, in meeting with the CRA representatives, QNBN stated that the Draft Notice and the Reporting Format were acceptable for QNBN.
11. CRA has considered the comments of the SPs and amended the Draft Notice and the Reporting Format consistently. The underlying reasoning is contained in the Annex to the CRA's letter CRA/RAC-E/040/2017.

## 2 Legal Basis

### **Emiri Decision No. (42) of 2014 Establishing the Communications Regulatory Authority (CRA)**

#### 12. Article (4) states

*The Authority shall be 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. The Authority shall have all the powers necessary to undertake the above and, in particular, the following:*

1. 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 [...]
  3. 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 [...]
  12. Conduct studies and research in the telecommunications sector in order to encourage modernizing telecommunication networks and services [...]
  15. any other tasks or functions entrusted to it under the legislation in force  
"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"
13. Article (15) states Regulatory and Competition Affairs Department of CRA shall
1. Determine the criteria to assess, and modify if required, the market dominance status, and lay down economic rules in this regard [...]
  6. develop criteria for the market definitions follow up market conditions, competition, and the status of dominant service provider [...]

### **Telecommunication Law (the Law)**

14. Article (4) states the General Secretariat (now CRA) shall have the following powers and authorities:
4. setting and enforcing the appropriate remedies to prevent service providers from engaging or continuing anti-competitive practices [...]
  10. requiring the provision of information which enables it to exercise and perform its authorities and powers, including network or service development plans and financial, technical, statistical information and accounting records and other information
  11. ensuring the provisions of this Law and its Executive By-Law, regulations and decisions issued pursuant to it, are complied with.
15. Article (42) states the CRA shall
- undertake the designation of the service providers and determination of the extent of their significant market power or dominance in the market and must prior to making such designation the General Secretariat shall perform the following:
- 1 determine relevant products and services markets including the geographic scope or territory;
  - 2 determine the standards and methodology to be applied in determining the degree of market power or other standard of significant market power or dominance in relevant markets; and
  - 3 conducting an analysis of the relevant products and services markets through applying the identified standards and methodology in specific circumstances.
- The Executive By-Law, regulations, rules and orders shall specify the standards, methodology and operations for market power designation.
16. Article (62) states CRA
- may require service providers or others to provide information necessary for exercising its powers, and the information shall be furnished the form, manner and time as the General Secretariat specifies. A person required to provide information may inform the General Secretariat of any reasons which will prevent the provision of the information, and may request the General Secretariat not to disclose all or part of the information submitted for reasons of its commercial nature or confidentiality.

## Executive By-Law for the Telecommunications Law (the By-Law)

### 17. Article (72) states the CRA

*shall issue a notice which establishes the standards and methodology that it will apply in determining whether Significant Market Power exists in a particular relevant market. The General Secretariat shall publish the methodology on the website of the Supreme Council and may be modified from time to time by it.*

*The methodology may include the following criteria for assessing the degree of market power in a relevant market:*

*1 market share*

*2 absolute and relative size of the firm in the relevant market.*

*3 degree of control of facilities and infrastructure that would be uneconomical for another person to develop to provide services in the relevant market.*

*4 economies of scope and scale.*

*5 absence of countervailing buyer power, including customer churn characteristics.*

*6 structural and strategic barriers to entry and expansion.*

*7 any other factors relevant to evaluating the existence of market power in a particular market. [...]*

*The methodology may also provide guidance on the parameters that will be used for measuring market share (number of lines, number of minutes, revenues or other relevant metrics). [...]*

### 18. Article (73) states CRA

*shall undertake a baseline review of those telecommunications markets that it determines should be examined as a matter of priority. In undertaking its assessment, the General Secretariat shall rely on the best data available to it, and **all market participants shall cooperate fully in furnishing information requested by the General Secretariat in order to carry out its evaluation.** [...]*

### 19. Article (127) allows CRA to

*require Service Providers or others to provide it with information that it deems necessary for the exercise of its powers or that enables it to perform its functions.*

### 20. Article (128) clarifies that

*Such information shall be provided in the format specified by the Information Request and may include, but not limited to, data that must be calculated or compiled by the recipient of the Information Request, original paper-based documents and information stored in digital electronic format.*

### 21. Article (129) states

*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.*

### 22. Article (130) requires CRA to

*take into consideration a request made by the recipient of the Information Request for the confidential treatment of the information provided and the General Secretariat shall ensure that appropriate measures are taken to protect the confidentiality of information, which the General Secretariat determines to be confidential or commercially sensitive.*



23. Article (131) states

*The recipient of an Information Request shall cooperate fully and shall provide true and complete answers to the questions posed within the timeframe established by the General Secretariat.*

### **Licenses**

24. In accord with the basic conditions of the Licenses (Article 21.2),

*The licensee shall provide true and complete responses on a timely basis to all information requests [...] and shall comply in good faith with any reporting requirements issued [...] in accordance with procedures established by the Applicable Regulatory Framework.*

### **MDDD Notice and Orders, CRARAC 09/05/2016 A, issued on May 09, 2016**

25. Section 7 of the MDDD Notice and Orders states

*the Authority requires market data to be submitted by the SPs on a quarterly, basis. Ooredoo, Vodafone and any other SP at wholesale or Retail level are therefore obliged to submit to the Authority on a quarterly basis, coinciding with their quarterly published results (no later than a week after its publication), basic Indicators on the Relevant Markets.*

*The Authority will notify SPs of their reporting requirements. The Authority will consult on the format of reporting under the new market definitions and this will be communicated in a separate and forthcoming consultation process.*

*Until new reporting requirements are set by the Authority the existing reporting requirements remain.*

*If those indicators illustrate a significant change or anomalies in market conditions in any particular market, the Authority may start an in-depth investigation in the Relevant Market(s).*

## **3 Scope**

26. This Notice:

- 26.1. Set the Definitions applicable to the MDDD Reporting;
- 26.2. Provide Guidelines for compiling the MDDD Reporting;
- 26.3. Simplify the Reporting obligations of the SPs;
- 26.4. Set the Timeline for the SPs to deliver the MDDD Reporting to the CRA;
- 26.5. Define the MDDD Reporting Format;
- 26.6. Clarify how CRA will monitor Compliance of the SPs with this Notice;
- 26.7. Set a Review Mechanism.

## **4 Definitions applicable to the MDDD Reporting**

27. In the application of the provisions of this Notice, the words and expression contained herein shall have the same meaning set out in the Emiri Decision, in the Telecommunication Law and in Executive By-Law.

28. The following words and expressions shall have the meaning ascribed to them below:

- 28.1. **Business Lines:** Lines paying a Business Tariff and/or classified as such by the SPs;
- 28.2. **Number of Active Lines:** The number of active lines that have registered an activity in the previous three months;
- 28.3. **Number of Active Channels:** Two (2) channels per any Basic Rate Interface (BRI) Active Subscriptions and thirty (30) channels for any Primary Rate Interface (PRI) Active Subscriptions;
- 28.4. **Managed VoIP Lines:** Refers to the number of voice over internet protocol (VoIP) fixed line subscriptions;
- 28.5. **Minutes:** Number of minutes of traffic during the reference calendar quarter;
- 28.6. **Pre-paid Subscriptions:** Refers to mobile subscriptions that use prepaid refills. These are subscriptions where, instead of paying an ongoing monthly fee, users purchase blocks of usage time that may include voice calling, messaging and data with a range of spending options for predefined sets of usage credit and service validity durations;
- 28.7. **Post-Paid Subscriptions:** Refers to mobile subscriptions where the user pays an ongoing monthly fee, that may be used for voice calling, messaging and data that is offered by the SPs pursuant to the terms of the chosen tariff;
- 28.8. **Relevant Markets:** The Markets as defined by the CRA as an outcome of the MDDD process (ref. MDDD Notice and Orders, CRARAC 09/05/2016 A, issued on May 09, 2016 and related Orders and Economic Analyses issued during the above proceeding on MDDD);
- 28.9. **Residential Lines:** Subscribers paying a Residential Tariffs and/or classified as such by the SPs;
- 28.10. **Retail and Wholesale Services:** The Services as defined by the CRA as an outcome of the MDDD process (ref. MDDD Notice and Orders, CRARAC 09/05/2016 A, issued on May 09, 2016 and related Orders and Economic Analyses issued during the above proceeding on MDDD);
- 28.11. **Reporting Format:** The excel file attached to this Notice;
- 28.12. **Revenue:** Revenue represents the fair value of consideration received or receivable for services and equipment sales net of discounts and sales taxes. The SPs shall use definitions and revenue recognition criteria consistent with the Accounting Policies used for the preparation of their Financial Statements, unless required to the contrary in this Notice;
- 28.13. **Sold Bandwidth:** This represents the bandwidth sold by a SP and acquired by the Subscribers during the reference calendar quarter;
- 28.14. **Subscriber:** The person or entity that enters into agreement(s) with the SPs to receive and pay for service(s); the Subscriber may have several subscriptions to mobile and fixed services.

## 5 Guidelines applicable to the MDDD Reporting

- 29. The SPs are required to submit the data:
  - 29.1. Pursuant the definitions included in Section 4 above;
  - 29.2. According to the timeline set in Section **Error! Reference source not found.**9below;
  - 29.3. Using the Reporting Format attached to this Notice.
- 30. The SPs are responsible for:

- 30.1. The accurateness and correctness of the data;
- 30.2. The consistency of the data submitted with the quarterly published financial data.
- 31. Upon request, the SPs shall disclose to CRA any assumption and/or methodology implemented for the MDDD reporting, such as the calculation of the Sold Bandwidth, the attribution of bundled revenue to the individual services, the split between residential and business customers, etc.
- 32. The split between residential and business customers shall be based on actual data collected on the fourth financial quarter of each year, but could be estimated in the other quarters within the year.
- 33. For the Market M8a, gross revenues shall be provided. Actual revenue belonging to this Market shall be provided on the fourth financial quarter of each year, but could be estimated in the other quarters within the year.
- 34. Data provided by the SPs will not be considered confidential unless explicitly requested by the SPs. In assessing the request of the SPs for data's confidentiality, the CRA will act consistently with the provisions of the Telecommunication Law and of the Executive by Law.

## **6 Simplification of the Reporting Obligations**

### **6.1 Broadband Reporting from Ooredoo and Vodafone**

- 35. This Broadband Report is currently required from Ooredoo and Vodafone on a monthly basis, with the scope to monitor the penetration of the fiber broadband services and the deployment of the fiber access network.
- 36. In order to streamline the reporting obligations, the CRA now merges the Broadband Reporting with this MDDD Reporting (2017). Therefore, the obligation on Ooredoo and Vodafone to deliver the monthly Broadband Report is revoked commencing calendar year 2017.
- 37. The relevant information has been added to the Reporting Format.

### **6.2 Tariff Data Report from Qnbn**

- 38. This Tariff Data Report (wholesale and retail) is currently required from Qnbn quarterly, with the main scope to monitor the volume sold and revenue earned from Retail and Wholesale products.
- 39. In order to streamline the reporting obligations, the CRA now merges the Tariff Data Report with this MDDD Reporting (2017). Therefore, the obligation on Qnbn to deliver the quarterly Tariff Data Report is revoked commencing calendar year 2017.
- 40. The relevant information has been added to the Reporting Format.

### **6.3 Retail Mobile Tariff Report from Ooredoo**

- 41. This Report was required from Ooredoo on a monthly basis, with the scope to monitor the profitability of the Relevant Retail Mobile Markets (ref. Retail Tariff Instructions, CRA 2015/05/07).



42. Definitions, Guidelines and Reporting Format applicable to the Tariff Report have been agreed and shared with Ooredoo.
43. The CRA is of the view that this report shall be submitted quarterly starting from the first calendar quarter of the year 2017, to ensure consistency with the data included in the MDDD Reporting.

## 7 MDDD 2016 Reporting Format

44. The MDDD Reporting Format is attached to this Notice.
45. The Reporting Format can be amended:
  - 45.1. Upon initiative of the CRA, in case of changes in the Retail Offers of the SPs that requires additional or different data to monitor the Markets (for example, launch of the VoLTE) or for improving and or amending the Format;
  - 45.2. Upon request of the SPs
46. Any changes will be consulted upon with all the Service Providers.

## 8 Methodology and Tools for Monitoring the Compliance

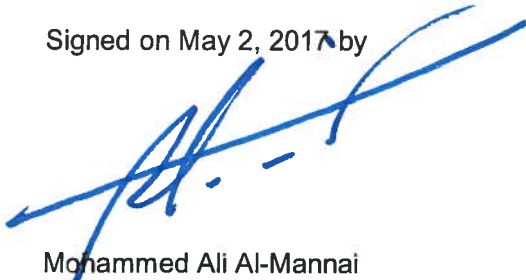
47. Under Article 11 of the Telecommunications Law, the CRA is required to monitor the compliance of licensees in accordance with their licenses and the accompanying law and by law.
48. Article 4 (14) of the Emiri Decree number (42) of 2014, specifically mandates the CRA to monitor compliance of the licenses with the regulatory frameworks and take the necessary measures to ensure their compliance.
49. CRA will monitor the compliance of the SP's with this Notice, *inter alia*, but not limited to against the following criteria:
  - 49.1. Timely submission of the data (cf. section 9 below). This monitoring will be carried out upon filing the submission via email with the population of the population of the Microsoft Excel template;
  - 49.2. Consistency of the data provided by the SPs with definitions and guidelines set in section 4 and 28.14 of this Notice;
  - 49.3. Consistency of the submission with the MDDD Reporting Format provided in section 7 of this Notice;
  - 49.4. Reconciliation of the total revenue provided by the SPs with the quarterly Financial Statements published by the SPs;
  - 49.5. Consistency of the data over the calendar quarters. This monitoring will be carried out through comprehensively analyzing the trends. Any inconsistency noted in the data will be notified and discussed with the SPs, who will be required to provide explanations and to rectify the data, if necessary.
50. 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:
  - 50.1. Invoking the provisions of chapter sixteen (16) of the Law, whereby the Licensee 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
  - 50.2. Such non-compliance shall under Article 70 be punishable as an offence by a term of imprisonment not exceeding two (2) years and or a fine not exceeding one hundred thousand Riyals; or

- 50.3. Such non-compliance shall under Article 67 be punishable as an offence by imposing a term of imprisonment not exceeding one year and a fine not exceeding one million Qatari Riyals; and
- 50.4. Under Article 71, the person responsible for the actual management of the corporate entity, shall be punished with the same penalties assigned to the acts that are committed in violation of the rules of this law, if it is proved that such person was aware of such acts or the breach of his or her duties rendered upon him or her by such management, had contributed to the offense.

## **9 Order to Ooredoo, Vodafone and Qnbn**

51. The CRA requires the MDDD Reporting to be submitted by the SPs on a quarterly basis, within four (4) weeks after the publication of their quarterly financials.  
For companies not publishing quarterly results, the MDDD Reporting must be submitted within 4 weeks after the end of the calendar quarter.
52. This requirement commences with the first calendar quarter of the calendar year 2017, i.e. January to March 2017.
53. For the first calendar quarter of the calendar year 2017, the SPs are required to submit the data four weeks after the receipt of this order or within four (4) weeks after the publication of their quarterly financials.

Signed on May 2, 2017 by



Mohammed Ali Al-Mannai  
President of the Communications Regulatory Authority

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