






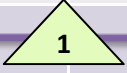







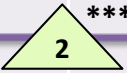


Promoting Investments in Broadband in Lebanon

*The 11th Arab International Telecom
Development Forum & Expo for Arab States*

*Habtoor Grand Hotel
May 28- 29, 2009*

Dr. Kamal Shehadi
Chairman/ CEO
Telecommunications Regulatory Authority

The TRA is planning to liberalize telecommunications markets in line with Law 431/2002 and provide a solid regulatory framework to attract investors

		2009	2010	2011	2012	2013	2014
Mobile	* Network Operator						
	Virtual Network MNVOs						
PSTN/ Basic Telephony	Network Operator						
	Reseller and VoIP						
Broadband	National (NBL)						
	National Carrier (core, metro and access) (NBCL)						
International Gateway	Voice and Data Facilities Based Provider						
	Data Facilities Based Provider						
	Voice and Data Resellers						

 Open licensing  Market Review  License Award

* The privatization of the mobile sector will depend on the regional and international financial markets conditions

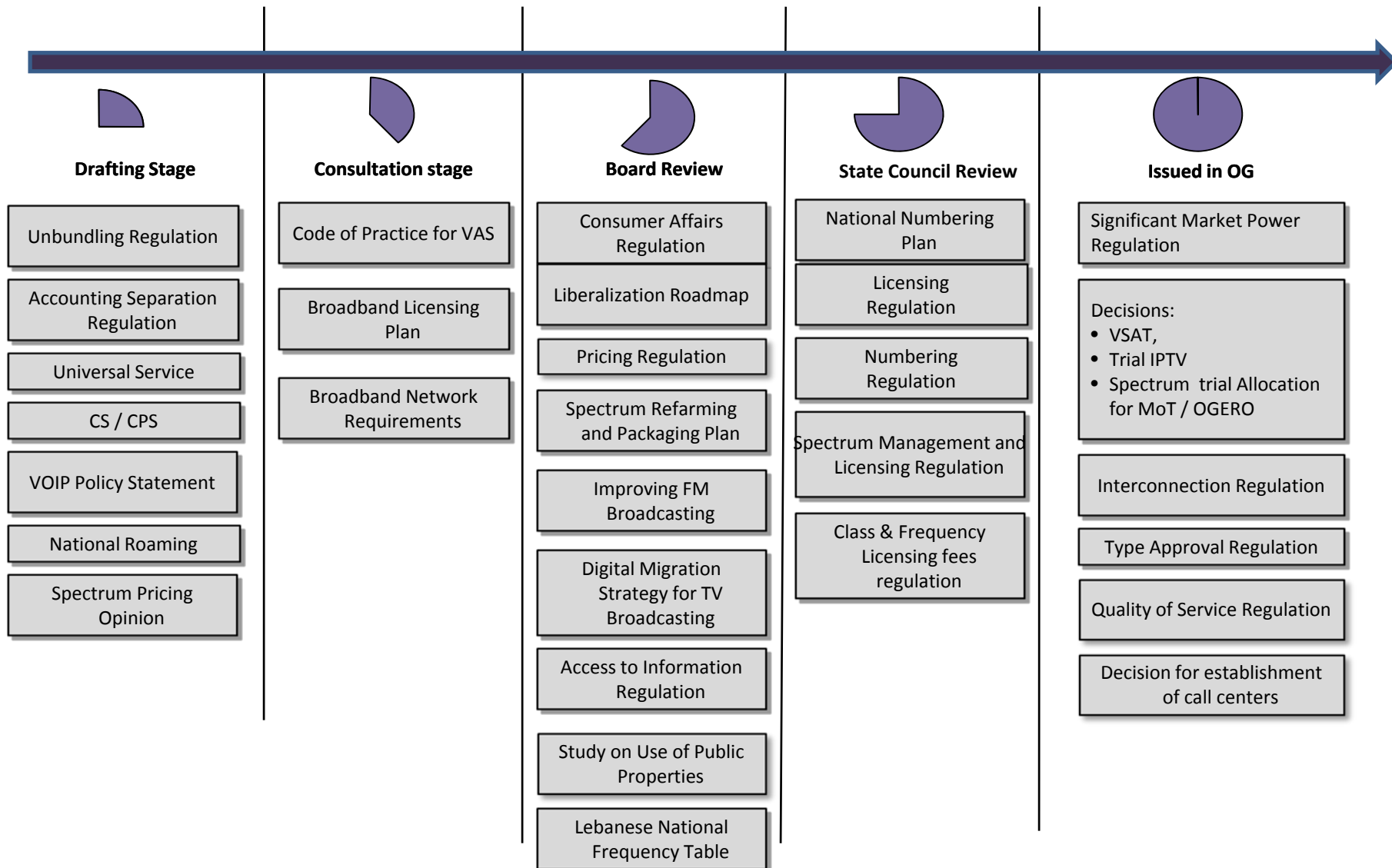
** Two mobile operators and Liban Telecom, **subject to COM's decision**

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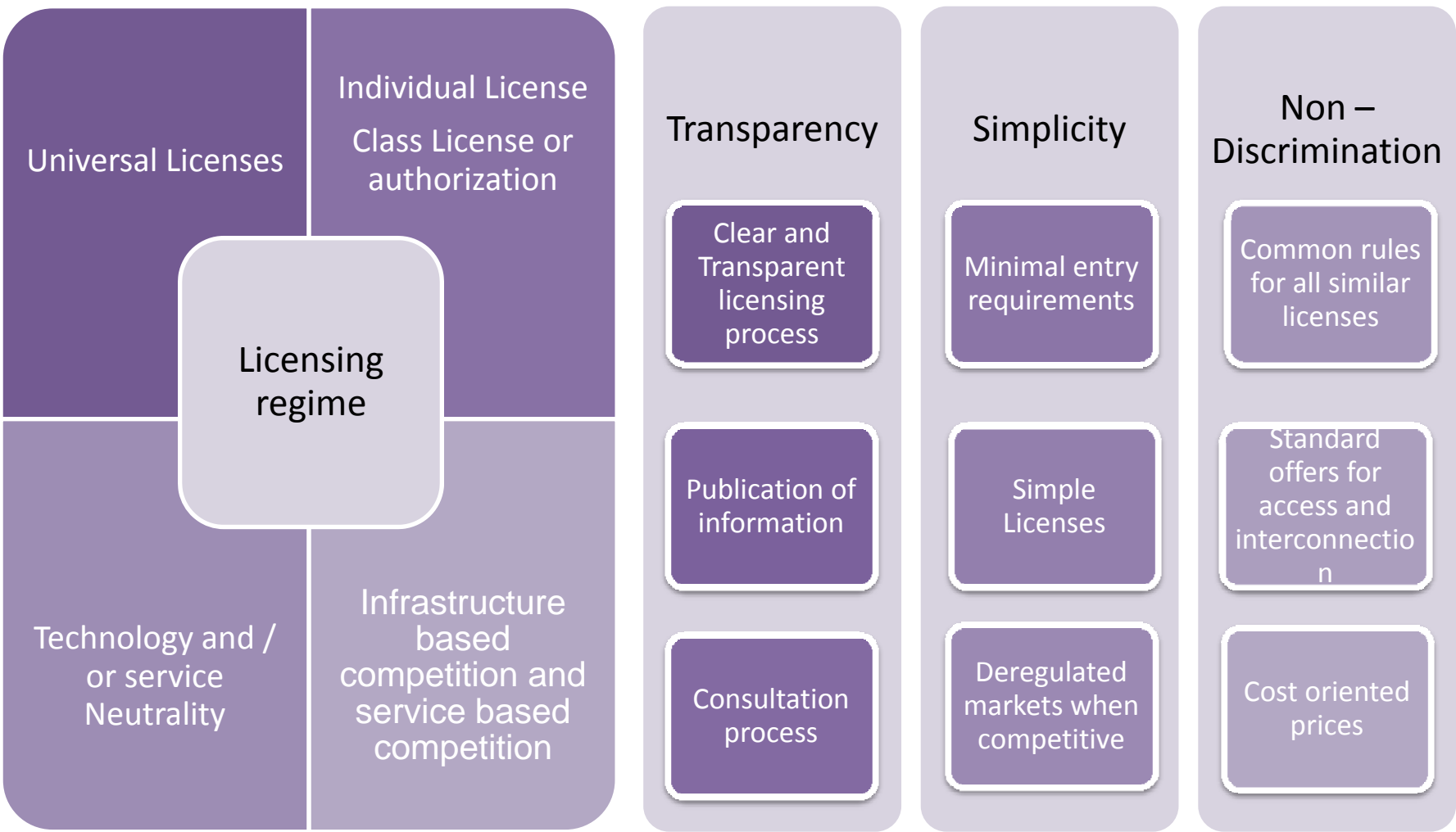
**** Two National Broadband Carrier Licenses, **subject to CoM's decision**

***** Two National Broadband Carrier Licenses and Liban Telecom, **subject to CoM's decision**

TRA has followed a transparent and consultative process to develop regulations in line with best international practices



Currently, the TRA is putting in place a simple and transparent licensing process to facilitate entry to the telecommunications market



The Licensing Regulation sets out clear conditions for individual and class licenses

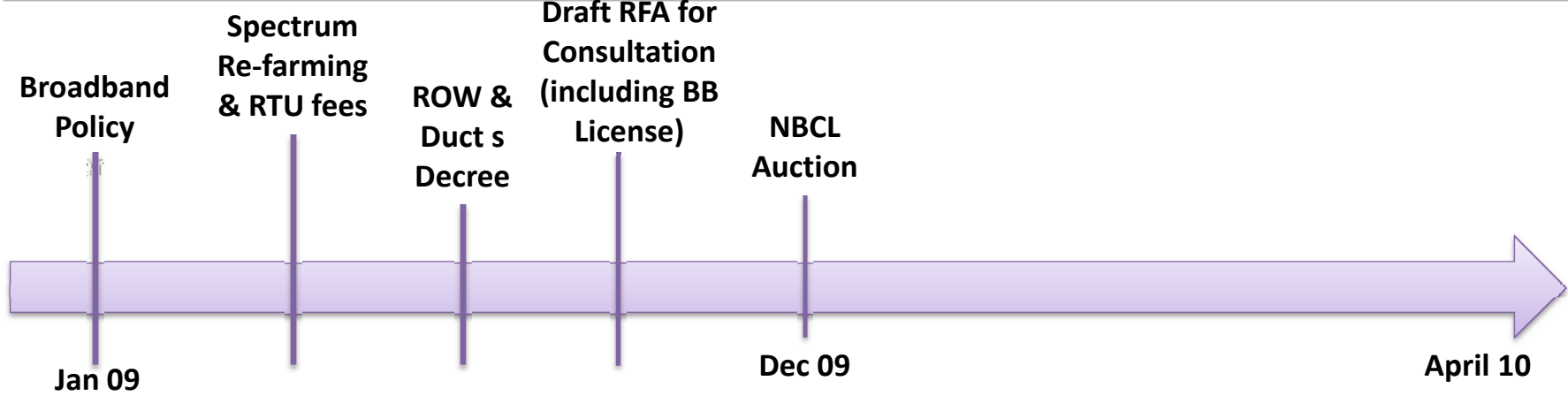
	Significant Qualification	No Qualifications
Restricted Number	<p><u>Restricted licenses</u> National Broadband Licenses Broadband Access Licenses with spectrum Mobile Licenses Any other license including an Article 19(1) service, i.e., basic telephony, international telephone or mobile (including UMTS) Any other service license bundled with scarce spectrum (e.g., any license including frequencies for terrestrial broadcasting)</p>	None at this time
Unrestricted Number	<p><u>Individual licenses</u> Broadband Access Licenses without spectrum MVNOs and FVNOs Public Access Mobile Radio Pagers Satellite telephony provider Fixed Satellite Earth Station (send/receive) VSAT</p>	<p><u>Class licenses</u> ISP Value Added Services Resale of any services Wireless zone Internet access Satellite telephony user Wireless fixed closed user group license Private mobile radio Citizens band radio Amateur frequency license Maritime, distress, public safety, radio navigation frequency license Low power wireless networks Satellite News Gathering (SNG) Fixed Earth Station (receive only)</p>

The TRA's Broadband licensing plan includes issuing National Broadband Licenses and National Broadband and Carrier Licenses

The TRA plans to issue two types of Broadband Licenses

- ❑ **National Broadband Licenses (NBLs) :**
 - National or regional
 - With or without spectrum,
 - Existing Data Service Providers continue to use their national Microwave backbone to backhaul *existing sites*
 - NBLs originally rely on the NBCLs for new site connectivity
- ❑ **National Broadband and Carrier Licenses (NBCLs) with:**
 - Rights to build/offer (fixed and spectrum based) Access, National Backbone and International network/services
 - Obligations to meet access and national backbone rollout conditions with minimum build for fiber
 - Exclusivity period to interconnect *new sites* of other NBL providers via its national backbone

Broadband Deployment Timeline - Subject to COM Approval of Key License Features



Broadband licensing is designed to attract investments and introduce efficient and fair competition to the broadband market

International auction for National Broadband Licenses with frequencies

Incentives for existing service providers to continue operation and acquire more frequencies

Open licensing regime for National Broadband Licenses without frequencies (whether wireline infrastructure or service based licenses)

Can provide any service except those subject to the limited exclusivity period of Liban Telecom and NBCL

International Auction for two players: local and international participants
Auction includes access frequencies and license

Incentives to deploy a high capacity core network by providing him exclusivity on the core for three years

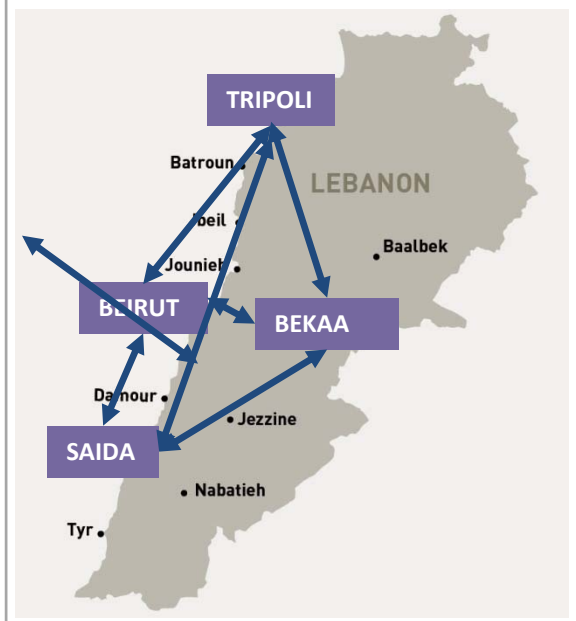
Can provide any service subject to the exclusivity period of Liban Telecom

NBL

NBCL

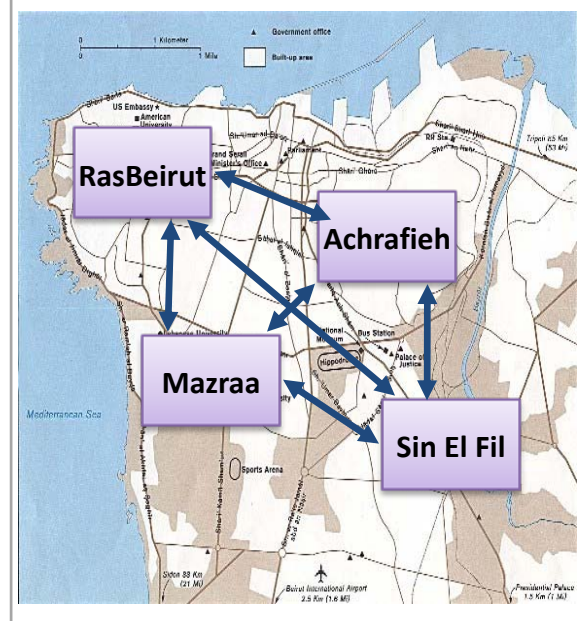
The NBCLs will ensure high speed connectivity between the major towns, whereas NBLs will ensure competition in access to broadband services all over Lebanon

Core and International



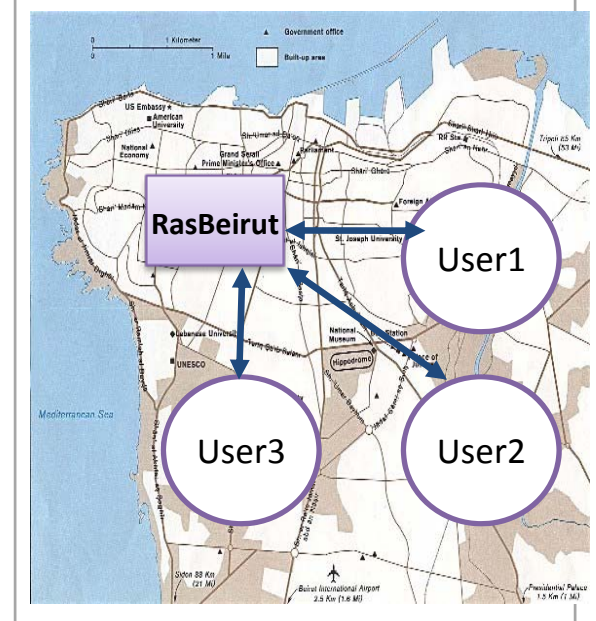
- Liban Telecom
- National Broadband and Carrier Licenses

Metropolitan



- Liban Telecom
- National Broadband and Carrier Licenses
- Some National Broadband Licenses
- Licenses

Access



- Liban Telecom
- National Broadband and Carrier Licenses
- National Broadband Licenses

TRA is coordinating its efforts to promote Infrastructure Sharing and Rights of Way

All Existing Infrastructure * owned by ROL

Telecom Law permits access IS/RoW for Service Providers

TRA Drafted Decree for COM

Conditions of Use and Procedures

- Provision of available IS info
- Standard Application forms
- Defined period for approval
- Clear justification of denied requests

Charges and Fees

(assessed by Public Entities)

- **Cost-based administration, maintenance and capital improvement fees**
- **ROW fees for New Infrastructure** : existing 10% VAT on telecom bills suffices
- **Existing Infrastructure (ducts, poles)** : rental fees based on the capacity used or occupied
- Inspection & supervision fees shared with TRA

Dispute Resolution

- **TRA plays the role of a mediator between Public Entity & SP**
- **In case of disagreement, TRA will report the case directly to COM for final decision**

*All Existing Infrastructure:

- Fixed Infrastructure
- Mobile Infrastructure
- Water, sewers, drainage
- Electricity
- Roads, Streets, Highways



www.tra.gov.lb