

TRA Strategic Plan for the next 12 months

April 25th, 2007



The TRA Board was appointed on February 21, 2007, therefore the TRA began its regulatory work as of March 2007

TRA Board of Commissioners

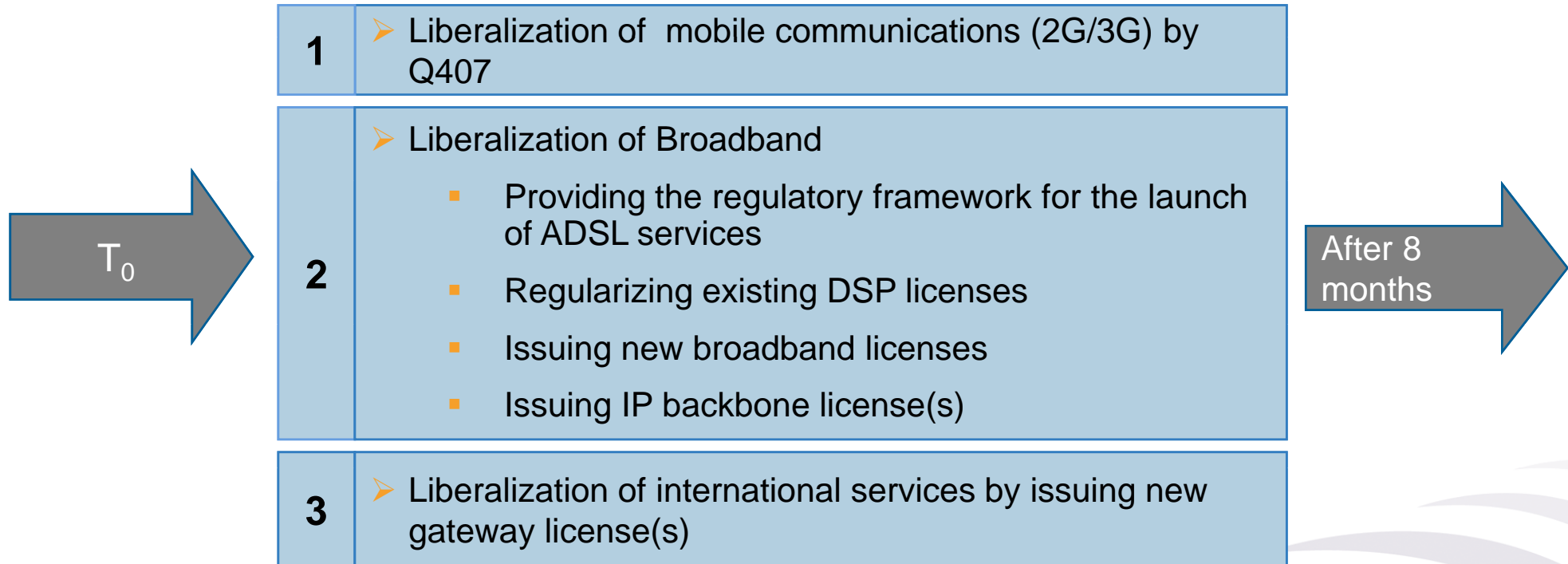
- The Board is composed of a Chairman and four members appointed for a 5 year term
- Commissioners are full-time and have wide-ranging responsibilities
- TRA has four Units and three Sections, each Unit headed by one of the Commissioners:
 - Legal and Licensing Unit
 - Telecom Technologies Unit
 - Information and Communication Unit
 - Market and Competition Unit

- Administrative Section
- Financial Section
- Internal Audit Section

Mission Statement

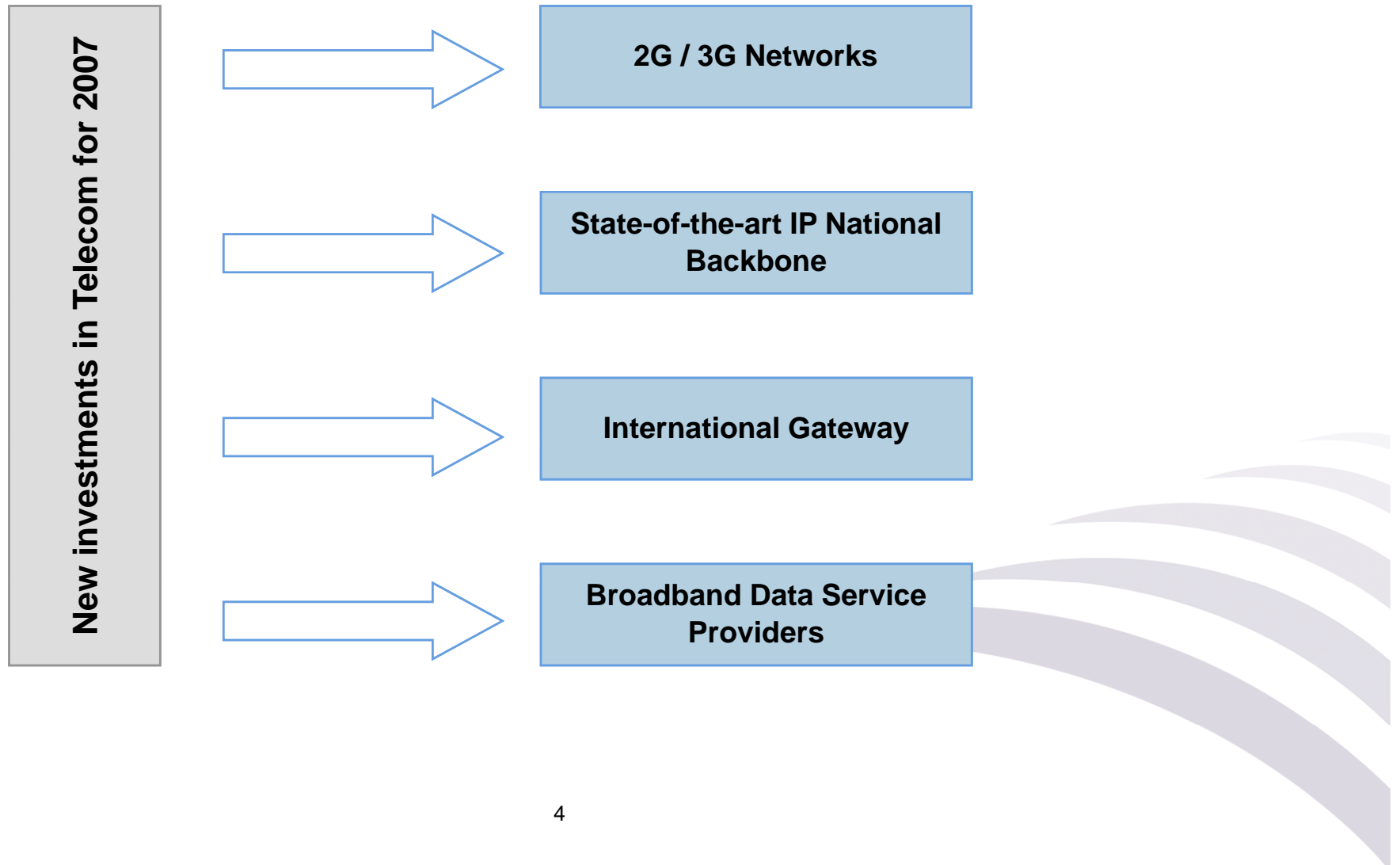
To establish a regulatory environment that enables a competitive telecommunications market to deliver state-of-the-art services at affordable prices to the broadest spectrum of the Lebanese population

The TRA strategic plan covers three key objectives: liberalizing mobile services, liberalizing broadband services, and liberalizing the international gateway

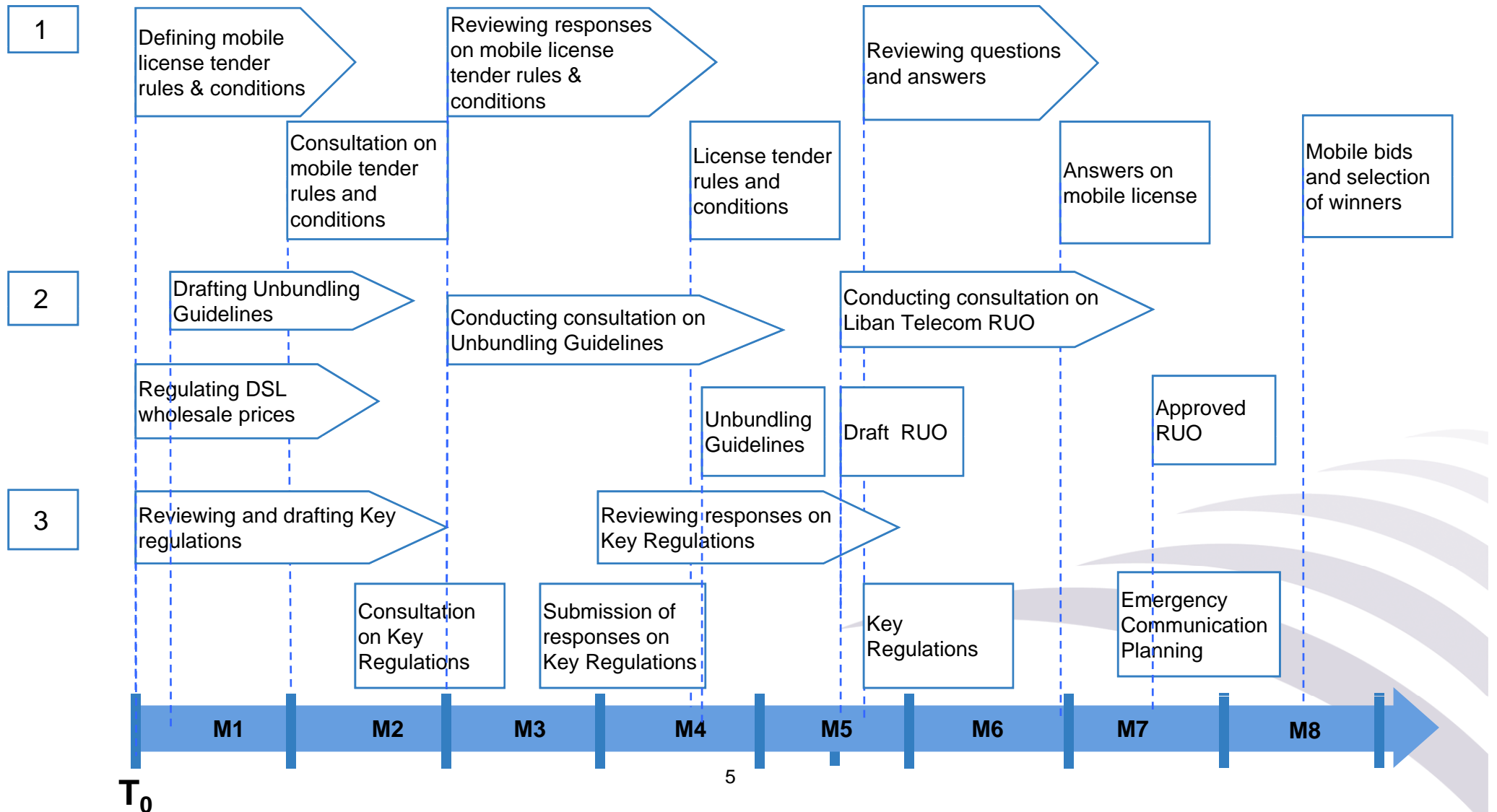


- The Board will issue key regulations: frequency, interconnection, quality of service, numbering, competition, consumer protection, and other key regulation
- In parallel, the Board will focus on building the TRA's institutional capabilities from the ground up, with a target of 80 - 100 professionals by the end of the next 12 months

The liberalization of telecommunications will create new investment opportunities for service providers to invest in new technologies and benefit the telecom market and the economy



The implementation of the strategic plan for the next 12 months will proceed along three main axes



The strategic plan for the next 12 months requires the TRA to prepare a sound regulatory framework, in line with international regulatory best practices

Policy and Strategy

- ❑ Prepare a qualitative and quantitative study of the telecom market in Lebanon and model the different scenarios for the future
- ❑ Formulate market liberalization strategy for Lebanon and outline the vision for the sector's
- ❑ Formulate strategy and structure the corresponding licensing framework for:
 - Broadband
 - Mobile privatization and liberalization
 - Spectrum licensing and Management Policy

Spectrum

- ❑ Conduct due diligence on existing frequency assignment
- ❑ Define corrective measures (if required)
- ❑ Determine mobile frequency assignment and fees
- ❑ Issue Spectrum Management Guidelines
- ❑ Issue National Frequency Plan
- ❑ Issue spectrum pricing
- ❑ Begin work on spectrum trading model

Licensing

- ❑ Structure the licensing framework
- ❑ Define Mobile licensing policy (auction design, revenue sharing, IPO, rollout, international gateway, quality of service, interconnection obligations, etc...)
- ❑ Draft and issue two mobile licenses
- ❑ Prepare new broadband licenses and begin the licensing process
- ❑ Draft and issue Liban Telecom license

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Interconnection/ Access

- Interconnection Guidelines
- Unbundling Guidelines
- Interim Interconnection decision for mobile services (Rates and points of interconnection)
- Review of Reference Interconnection Offer by Mobile and Fixed Service Providers
- Review Interconnection Agreements
- Review the Reference Unbundling Offer by Liban Telecom

Quality of Service

- Defining KPIs for mobile SPs
- Approving Quality of Service Guidelines

Price Regulation

- DSL wholesale price Regulation
- Price Regulation Guidelines

Consumer Protection

- Reviewing/ Approving Consumer Protection Guidelines
- Handling Consumer Complaints

General

- Drafting Dispute Resolution Procedures
- Drafting Accounting Separation Guidelines
- National Roaming Guidelines

Numbering

- Reviewing/Approving National Numbering Plan
- Overseeing migration to the new Numbering Scheme
- Drafting Mobile Number Portability Guidelines

Competition Regulation

- Issuing Decision Designating Significant Market Players
- Reviewing/ Approving Competition Regulation Guidelines
- Drafting Dominance Guidelines