

Communications Regulatory Authority

Policy Statement

Regulating for the future

June 2014

Foreword

Information and Communication Technology (ICT) has revolutionized every aspect of our lives. It defines how we conduct business, how and where we work, and how we interact and communicate. ICT services are a source of smart, sustainable and inclusive economic growth.

The Qatar National Vision 2030 recognizes the importance of ICT in the creation of a knowledge based economy, “*a vital step in enabling Qatar to diversify away from oil and gas*”. It requires progress on multiple fronts, driven both by industry and supportive government strategies.

Therefore, the key focus for the Ministry over the next few years is to ensure the initiatives under the National Broadband Plan are completed on time and according to plan, and that fit for purpose regulation is in place to enable economically sustainable development of the communications industry.

Establishing the Communications Regulatory Authority as an independent body was an important step in this regard. From the outset, it is important that the Authority sets out its vision for the evolution of communications regulation in Qatar.

I am pleased to note the timely issuance of this Policy Statement. It clearly affirms the commitment to ensure that citizens will have access to a broad range of innovative, reasonably priced communications services, through targeted, proportionate and justified regulatory intervention. This Policy has my full support.

Dr. Hessa Al-Jaber

Minister of Information and Communications Technology

Regulating for the future

This statement sets out the policy that guides the Communications Regulatory Authority's (the Authority) approach in regulating the communications sector to help promote sector growth while enhancing consumer benefit. This document is published as part of the Authority's desire to provide greater clarity to stakeholders and promote regulatory certainty in the communications sector.

Introduction

The Authority is a newly established independent authority with responsibility for providing regulatory oversight to enable the development of the communications sector in Qatar. As part of this role, the Authority is mindful of the need to create a regulatory framework that is flexible and responsive to the country's present and future requirements.

Overall, international experience has demonstrated that the provision of high quality, innovative and cost effective communication services will play a crucial role in the achievement of Qatar's ambitions. The communications sector is a significant enabler of productivity and innovation across the wider economy, improving Qatar's global competitiveness, and making a crucial contribution to the well-being of residents in Qatar. In addition, ensuring the readiness of Qatar's communication infrastructures for the World Cup in 2022 is critical as it represents a major catalyst for long term development and sustainability of the sector.

Objective

The Authority intends to establish a regulatory framework that will answer growing end-users expectations for the competitive delivery of innovative, diverse, fast, and reliable communication services at affordable prices.

To achieve this, the regulatory framework must ensure the efficient management of scarce resources and infrastructures in such a way that access to them is made available to all players on fair, equal and reasonable terms. At the same time, the efficient management of these resources and infrastructures must take into account the need to minimize the impact of communications on the environment to the extent possible.

Regulation will be targeted to achieve the most effective outcomes, where necessary. For example, fibre-based deployments are currently taking place at an accelerated pace around the country. Given the high investment cost associated with such deployments, it is crucial to ensure that these networks support open access regardless of the deployment model.

To ensure open access, networks shall exhibit the following minimal characteristics:

- Enable access at all layers in the network, i.e. infrastructure, transport and service layers, to allow a wide variety of physical networks and applications to interact in an open architecture; and
- Are transparent, to ensure non-discrimination within and between layers, to allow clear and comparative information on market prices and services.

More broadly, access to both active and passive wholesale services is necessary to enable facility and service-based competition as neither alone is deemed sufficient to deliver the high standards of services required to support the economic diversification targeted by Qatar.

Regulation in fixed and mobile markets will be focused on achieving these outcomes.

In line with this process, the Authority will develop also focused regulation to ensure that end-users receive high quality and reliable services, and their rights as consumers are adequately protected.

Policy

The Authority will adopt a holistic approach to regulation according to the following key policy principles.

1. Promote consistency, certainty, transparency and flexibility across the regulatory framework

The Authority will ensure consistency, certainty and transparency in developing its regulatory goals. These principles will underpin a robust regulatory framework which can meet the Government's objectives under the Qatar National Vision 2030. They also imply, wherever possible, a constructive engagement of the stakeholders in a timely manner, to identify needs and appropriate regulatory measures.

2. Focus regulation on wholesale markets to decrease retail regulation

The Authority will focus on wholesale rather than retail regulation.

An increased focus on the wholesale markets is expected to benefit the fixed sector in particular and so enable it to reproduce some of the steady growth observed in the mobile sector. The intention is to promote fair access to networks, while removing gradually, wherever possible, intrusive regulation at the retail level. This evolution will encourage the development by the service providers of better services and innovative products to the benefit of the end-users.

The rollback of retail regulation will be phased and be linked to the successful implementation of the wholesale regulatory framework as well as the development of effective regulatory tools for monitoring the market.

3. Develop where necessary a set of minimum terms and conditions on all networks and service providers (“Symmetrical Regulation”)

In line with its objective, the Authority will impose a set of minimum terms and conditions applicable to all network and service providers. These measures include, for example, quality of service obligations, terms and conditions for access to and/or sharing civil infrastructure, network deployments standards, etc.

4. Limit the regulation on dominant service providers (“asymmetrical regulation”)

In order to prevent any abuse of market power, asymmetrical obligations will be largely limited to addressing identified bottlenecks at wholesale level. Typically, the need for such regulations will be identified through market reviews.

5. Develop a comprehensive competition policy

Central to the new approach is the development of a competition policy which will detail market behaviours that the Authority considers anti-competitive. The competition policy will also describe how the Authority will assess and address behaviours that it considers to be anti-competitive.

By serving as a guide to the Authority's general approach to anti-competitive behaviour and to the parameters of acceptable conduct by the Service Providers, the competition policy will facilitate the removal of intrusive rules which would otherwise be needed.

6. Introduce a continuous monitoring of sector performance and development

Also central to the new approach will be the Authority's access to detailed and up to date market information. This will enable the Authority to properly assess the impact of regulation and decide whether it is properly targeted and achieving its purpose. It will also enable the Authority to identify regulation which can be removed or lifted because it no longer serves a useful purpose.

Accordingly, the Authority will generally track developments, uses and prices, to identify trends and any obstacle which may hinder the growth of the communications sector.

Implementation

The Authority shall commence implementation of this policy immediately and in accordance with the Work Plan developed and published in support of this Policy.

Communications Regulatory Authority

Qatar