سلطنة عُمان
Sultanate of Oman

هيئة تنظيم الاتصالات
Telecommunications Regulatory Authority

Quarterly Report on Telecom Sector Indicators

Q1, 2016

Competition and Tariffs Unit

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➢ Introduction

It is our pleasure to present Q1 2016 Report for the Indicators of Telecom Sector of Oman. The TRA has been compiling and publishing this information on quarterly basis to provide market intelligence on Telecom Sector to all interested parties including the investors, consumers, and the licensees. The Quarterly reports provide a brief update on the status of major telecom services in the Sultanate of Oman. These reports cover voice and data services for both fixed and mobile segments.

The quarterly reports are being compiled collecting data from the telecom service providers operating in Oman. The TRA would like to acknowledge and appreciate the service providers for their cooperation and support for providing statistics to TRA, which helped in preparing and disseminating this information. The source data is sometimes delayed by the licensees, which ultimately cause delays in publishing the report. We hope the publication timing will improve in future with the cooperation of service providers.

Comments and suggestions from the users of these reports are welcome for improvement of the contents and structure of the reports.

This report is also published on the TRA website **(www.tra.gov.om).**

Disclaimer

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Major Market Observations

Q1, 2016

- The total No. of population reached 4,379,105 inhabitants by March 2016, with 0.8% increase over December 2015.

- The total No. of households is 575,000 by end of 2015 as per the NCSI estimation.

The penetration of different services stood at the following levels at the end of the Q1/2016:

- Fixed line 10.2% of inhabitants
- Mobile subscriptions 152% of inhabitants
- Fixed Internet 43.98% of households.

The Active Mobile Broadband Subscribers' Penetration reached 77.1% of inhabitants by the end of Q1/2016 with total active subscribers reaching 3,377,913.

The Blackberry Subscribers represent 0.5% of the total Mobile Subscribers base at the end of Q1/2016 as compared to 0.9% of total mobile subscribers as at the end of preceding quarter.

During the Q4/2015, the TRA received and approved:

- 13 new and revised Tariff Plans.
- 32 promotional tariff offers

TRA type approved 528 telecom equipments, and issued 54 authorizations to import. In addition, TRA Issued 483 releases to customs for importing telecom equipments.

TRA carried out 132 inspections of dealers to check compliance of TRA regulations.

Summary of Main Telecommunications Indicators

Q1, 2016

Indicator	Fixed Telephony Service *(other than Fixed Internet)*	Fixed Internet Service	Mobile Service
Subscribers	446,918	252,886	6,639,870
Penetration rate[1]	77.7% of household	43.98% of household	152% of inhabitant
Revenue (Mln.RO)	36.743	23.601	148.002
International Outgoing Voice Minutes, (million)	7.040	NA	263.990
ARPU, (RO)[2]	4.85	31.11	7.43
Service Providers[3]	Omantel, Ooredoo, Teo	Omantel, Ooredoo	Oman Mobile, Ooredoo, Friendi, Renna, Teo

[1]Note: The Q1/2016 penetration rates are calculated based on the population (4,379,105), as per the latest bulletin published by NCSI – March 2016. Households: 575,000 (as per the NCSI estimation for year 2015).

[2]The Fixed ARPU is based on revenue for the fixed telephone lines (post-paid and prepaid).

[3]Awaser has started its commercial operations. However, this report does not capture any statistics & details of Awaser.

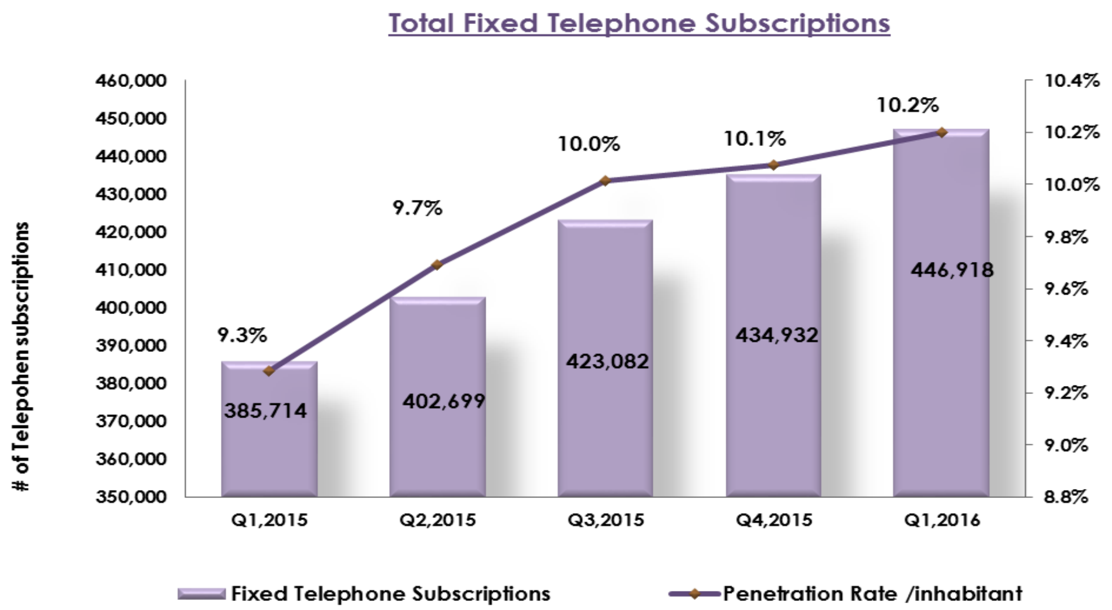
[4]Household is NCSI estimation for the year 2015.

	Q1/2016	Q4/2015	% Change
Population	4,379,105	4,316,539	1.4%
Households[4]	575,000	575,000*	-

Fixed Telephone Service

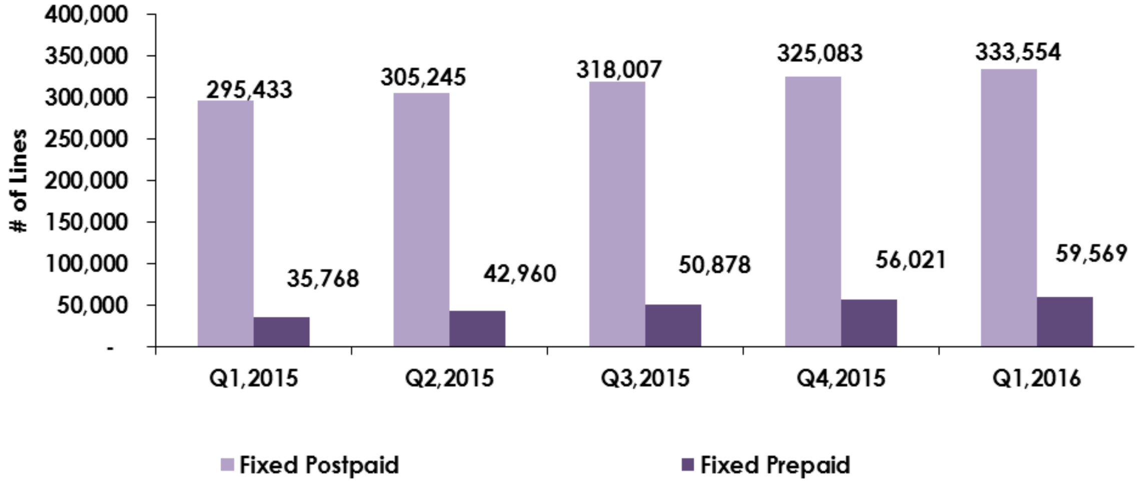
Type of Service	Q1/2016	Q4/2015	% Change
Fixed Telephone Lines:			
1.1 Post Paid	**333,554**	325,083	**2.60%**
1.2 Pre-Paid	**59,569**	56,021	**6.30%**
1.3 Public Telephone – Payphone	**6,801**	6,801	**0.00**
1.4 ISDN Equivalent Channels	**45,244**	45,256	**-.03%**
1.5 WLL Connections	**1,750**	1,771	**-1.2%**
Total Fixed Telephone Lines in Operation (1.1-1.5)	**446,918**	**434,932**	**2.80%**
Fixed Line Penetration /100 Inhabitant	**10.2%**	**10.1%**	**1.00%**
Fixed Line Penetration /100 household	**77.7%**	**75.6%**	**2.60%**

- **Note: The Q1/2016 penetration rates are calculated based on the population (4,379,105), as per the latest bulletin published by NCSI – March 2016.**
- **Households: 575,000 (as per the NCSI estimation for year 2015).**



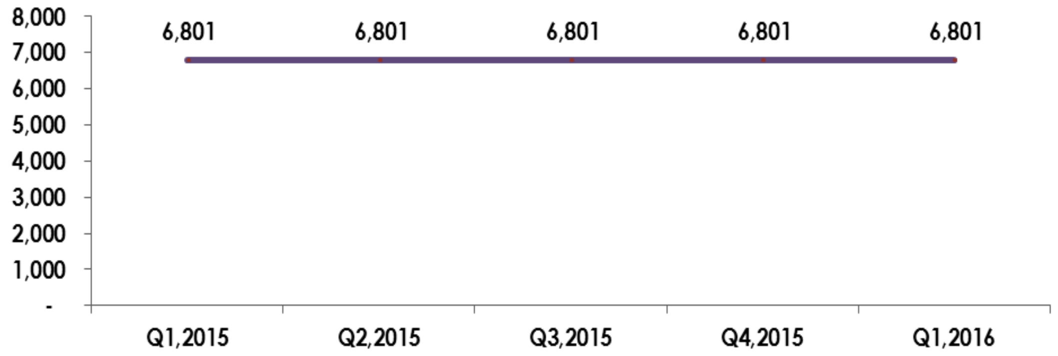
- First Quarter 2016 achieved 446,918 fixed line subscribers with an increase of 11,986 lines as compared to the previous quarter (Q4/2015).
- The penetration rate per inhabitant of the fixed line subscribers increased from 10.1% to 10.2% by end of the first quarter, 2016.
- Similarly, the penetration rate per household increased by 2.1% during the first quarter from 75.6% to 77.7 %.

Fixed Telephones Post paid & Pre paid

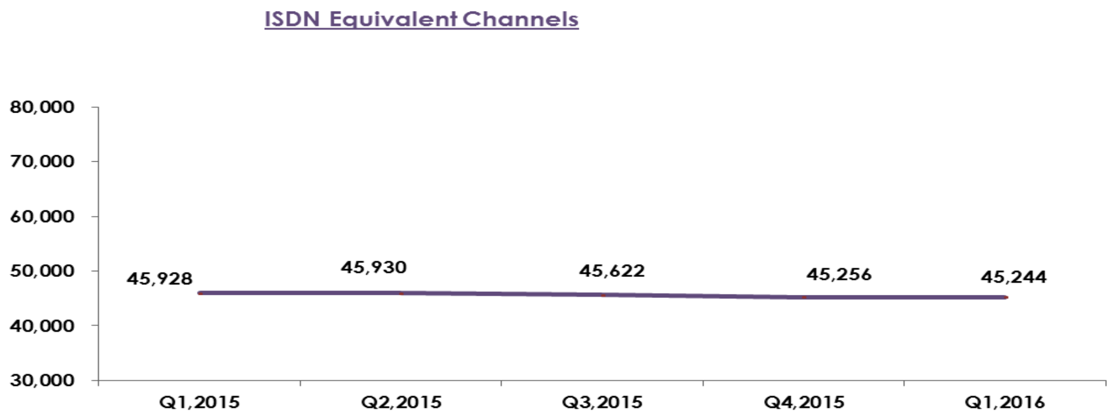


Both the fixed postpaid and pre-paid subscriptions grew during the first quarter 2016 by 2.6%, and 6.3% respectively.

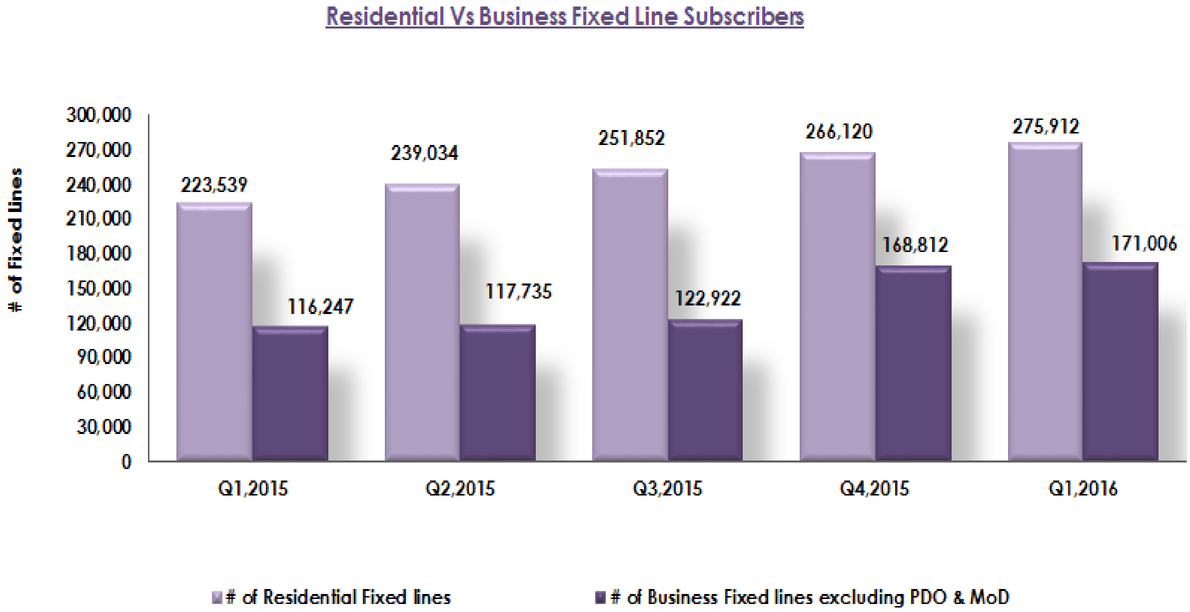
Pay Phones



Public payphones remained unchanged since last year with the total of 6,801 pay phones in service.



During the first quarter 2016, the ISDN equivalent channels declined by 0.03% reaching 45,244 channels.



Both residential fixed line subscribers and business subscribers grew by 4% and 1% respectively during the first quarter 2016.

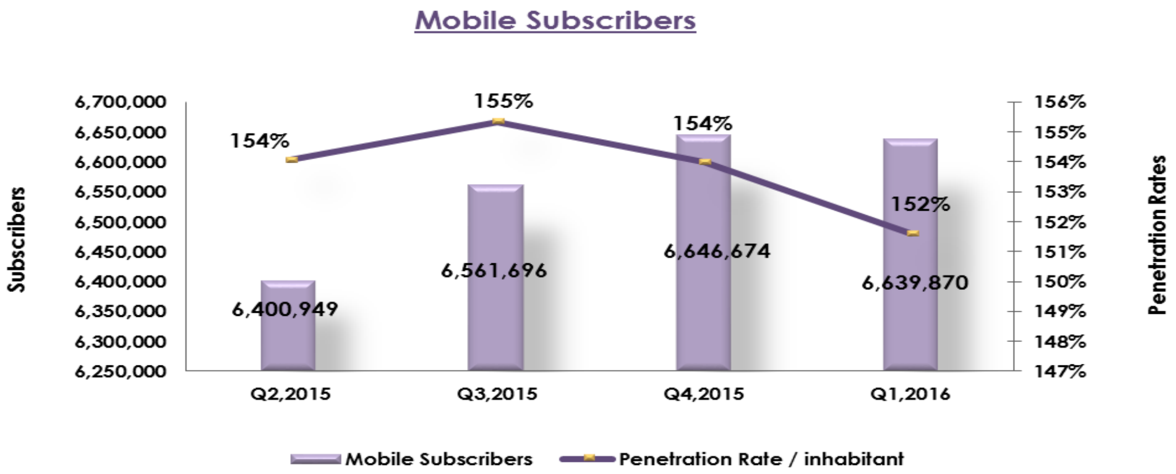
The split between fixed residential and business lines stood at 62% and 38% respectively in Q1/2016.

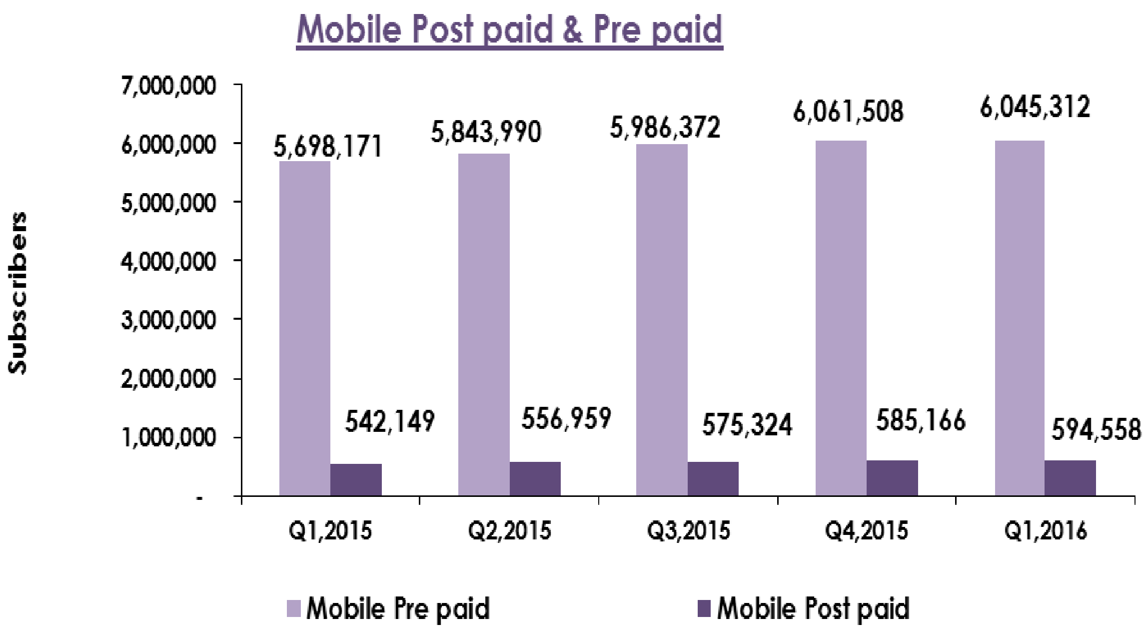
Mobile Service

Mobile Subscribers	Q1/2016	Q4, 2015	% change
1 Post Paid			
1.1 Operators	*594,558*	585,166	**1.6%**
Total Postpaid Subscribers	***594,558***	**585,166**	**1.6%**
2 prepaid			
2.1 Operators	*5,003,363*	5,036,378	**-0.7%**
2.2 Resellers	*1,041,949*	1,025,130	**1.6%**
Total Prepaid Subscribers	***6,045,312***	**6,061,508**	**-0.3%**
Total Mobile Subscribers: (2.1+2.2)	**6,639,870**	**6,646,674**	**-0.1%**
Mobile Penetration/100 Inhabitant	***152%***	**154%**	**-2%**
BlackBerry Subscriptions:			
3.1 Post Paid	4,780	5,446	**-12.2%**
3.2 Pre-Paid	31,606	48,167	**-34.4%**
Total BlackBerry Subscribers (3.1+3.2)	**36,386**	**53,613**	**-32.1%**
% of BlackBerry Mobile Subscribers of total Base in Oman	**%0.5**	**0.8%**	**-0.3%**

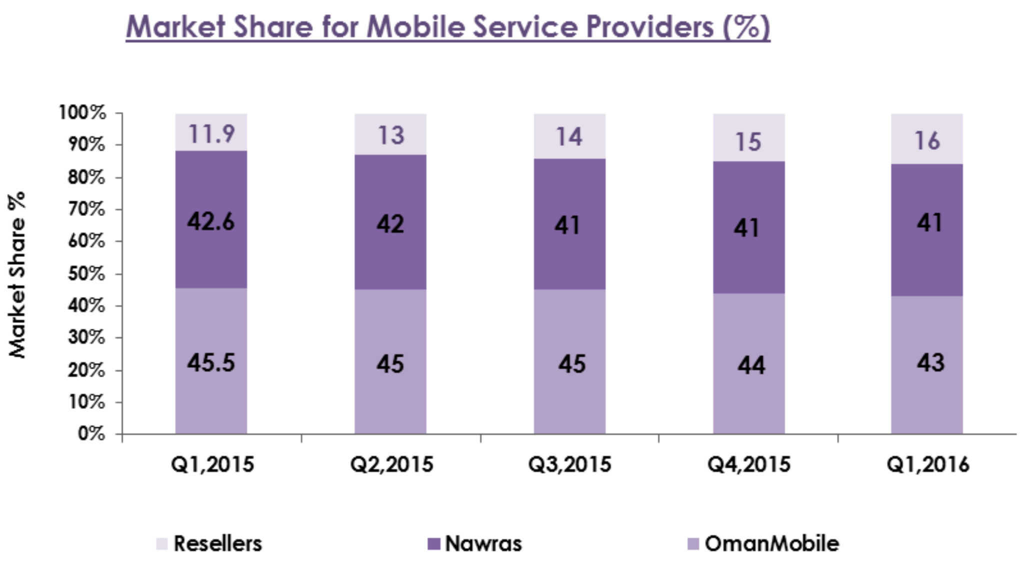
- **Note: The Q1/2016 penetration rates are calculated based on the population (4,379,105), as per the latest bulletin published by NCSI – March 2016.**

- The mobile subscribers decline slightly by 0.1% during the first quarter 2016 achieving a total of 6,639,870 subscribers.
- The mobile penetration decreased from 154% to 152% in comparison to the Q4/2015 due to the gradual high growth of population than the subscribers' base.

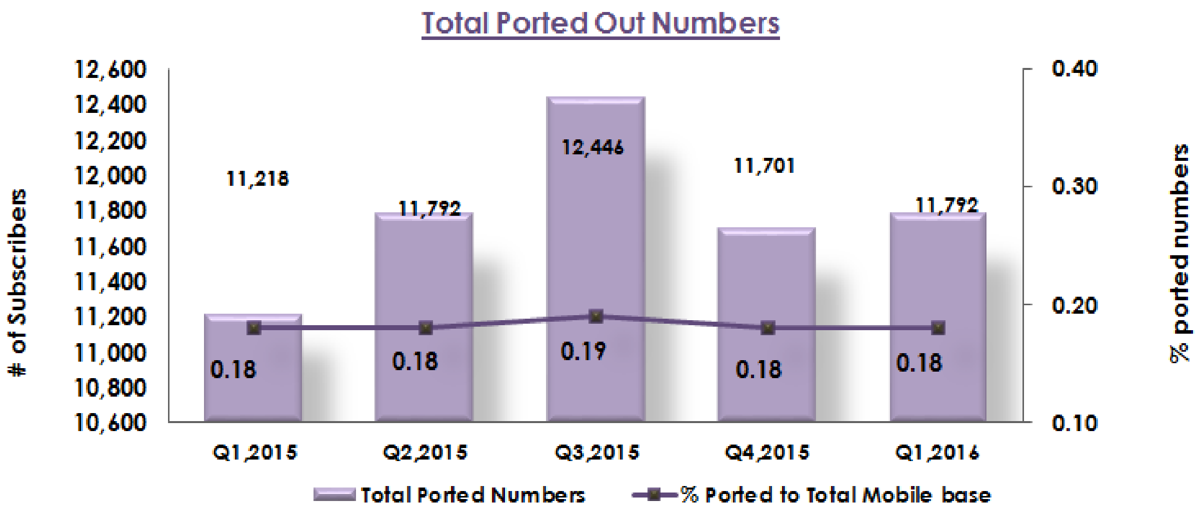




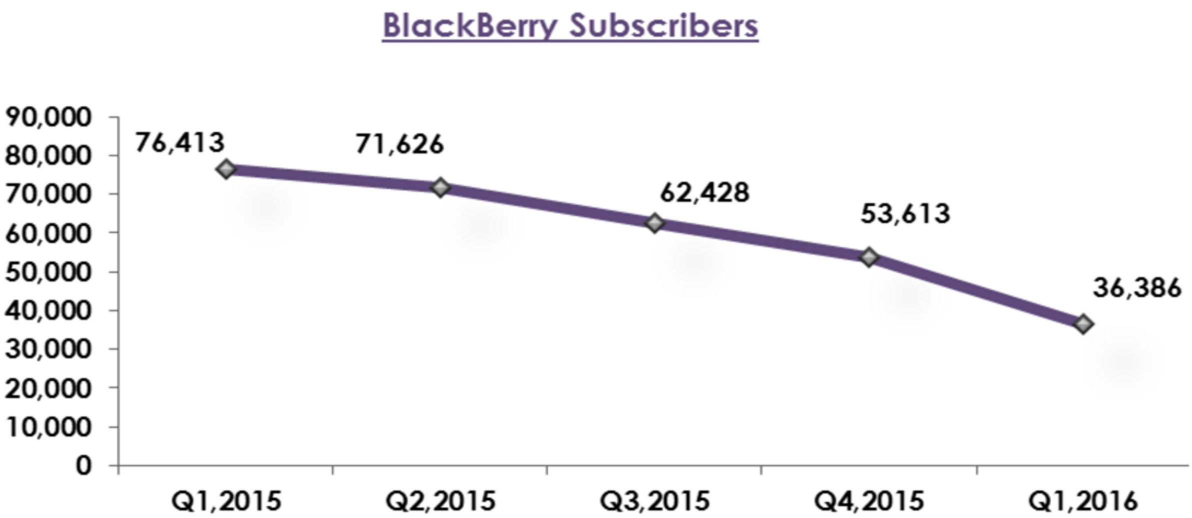
- Post-paid mobile subscribers reached 594,558 with 1.6% growth over the previous quarter.
- Prepaid mobile subscribers dropped by 0.3% reaching to 6,045,312 subscribers.



- Omantel mobile keeps the highest market share of 43% during the first quarter 2016, while Ooredoo keeps 41% market shares. The Resellers attained 16% market share by end of the reported quarter.



➢ The mobile ported out numbers during the first quarter were 11,792, which was 0.18% of the total mobile subscriber's base.



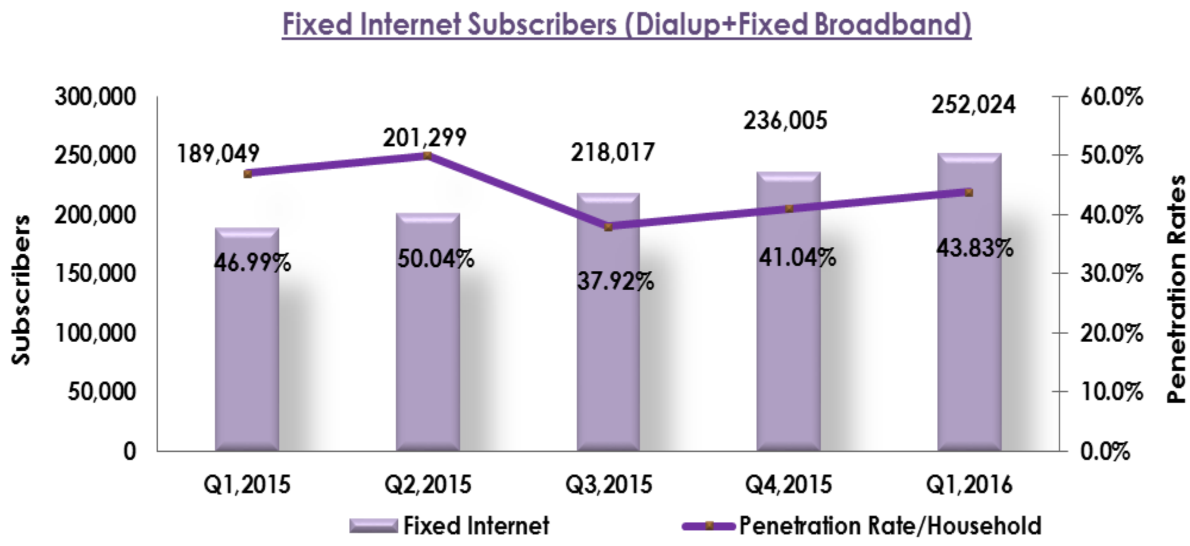
➢ During the last year the blackberry subscribers were declining continuously reaching 36,386 by end of the first quarter with 32% drop in comparison with the fourth quarter 2015.

➢ Blackberry subscribers represent 0.5% of the total mobile subscribers as compared to the previous quarter when it was 0.8%.

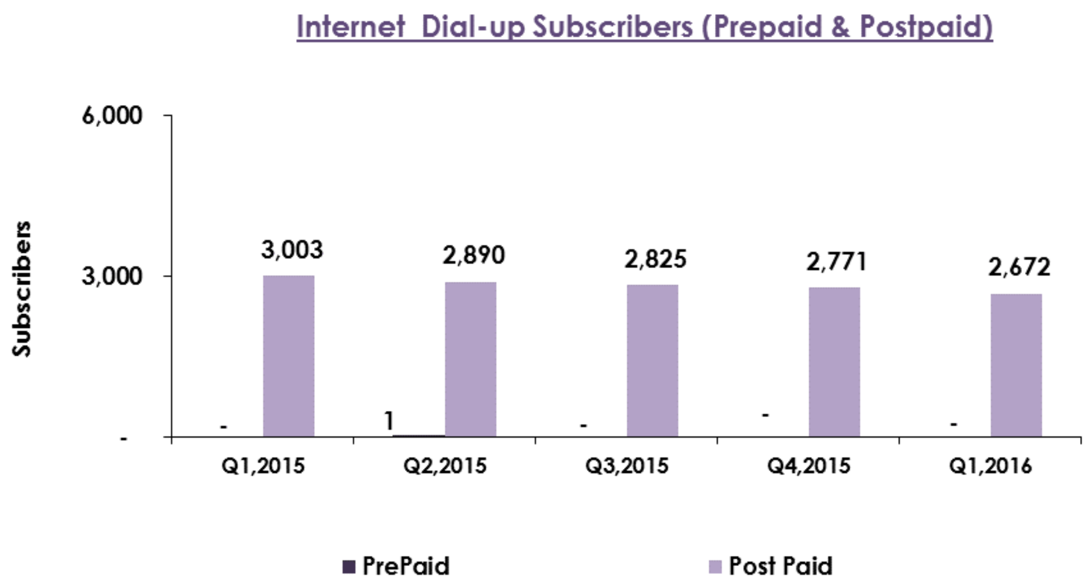
Internet Services

Type of Service	Q1/2016	Q4,2015	% change
Dial Up Subscribers			
1.1 Post Paid	2,672	2,771	**-3.6%**
1.2 Pre-Paid	0	0	**-**
1. Total Dial-Up Subscribers: (1.1+1.2)	**2,672**	**2,771**	**-3.6%**
Fixed Broadband Subscribers			
2. Total Fixed Broadband Subscribers	**249,352**	**233,234**	**6.9%**
Total Fixed Internet Subscribers (1+2)	**252,024**	**236,005**	**7.2%**
Fixed Internet Penetration /100 Household	**43.83%**	**41.04%**	**2.9%**
Fixed Broadband Subscribers Penetration/100 Household	**43.37%**	**40.56%**	**2.8%**
Active Mobile Broadband Subscribers			
3.1 Dedicated mobile-broadband Subscribers	2,261,329	2,181,072	**4.3%**
3.2 Standard mobile-broadband Subscribers	1,116,584	1,072,877	**2.8%**
Total Active Mobile Broadband Subscribers (3.1+3.2)	**3,377,913**	**3,253,949**	**3.8%**
Active Mobile Broadband Penetration Rate /100 Inhabitant	**77.1%**	**75%**	**2.1%**

- **Note: The Q1/2016 penetration rates are calculated based on the population (4,379,105), as per the latest bulletin published by NCSI – March 2016.**
- **Households: 575,000 (as per the NCSI estimation for year 2015).**

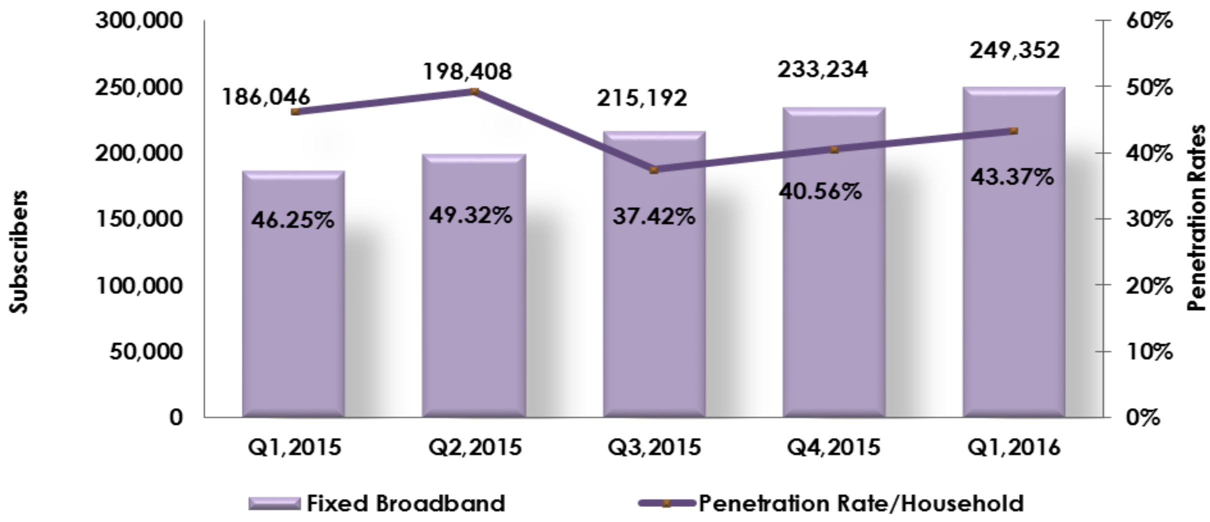


- The fixed internet subscribers were added up by 16,019 subscribers during the first quarter 2016 reaching a total of 252,024 subscribers. This showed 7.2% growth over the previous quarter.
- During the reported quarter, the fixed internet penetration rate per household reached 43.83% which is 2.8% higher than the previous quarter.



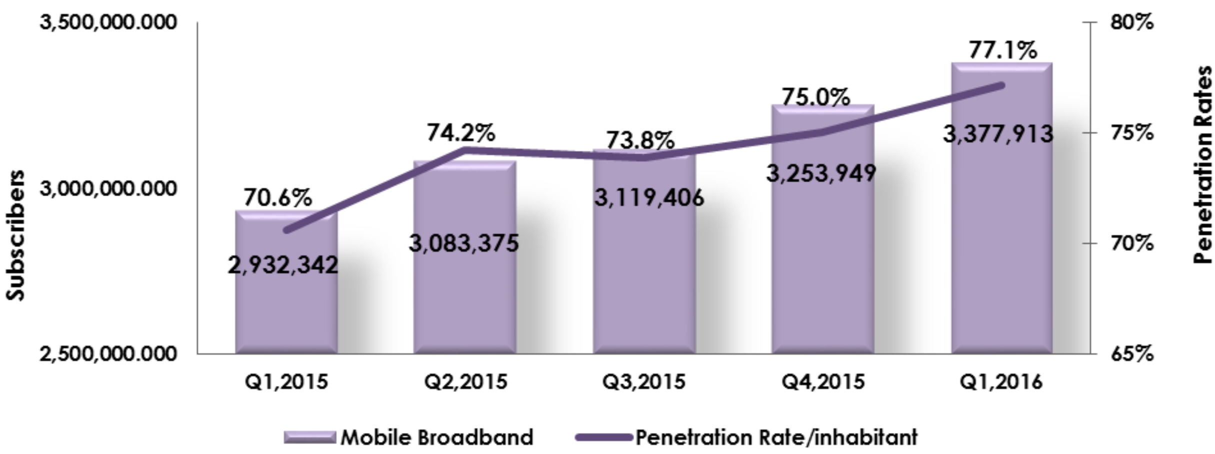
- Since the last year, dial up postpaid internet subscribers have been gradually shrinking reaching to 2,672 subscribers by end of Q1, 2016.
- During the last three quarters, there was no internet prepaid subscribers.

Fixed Broadband Subscribers

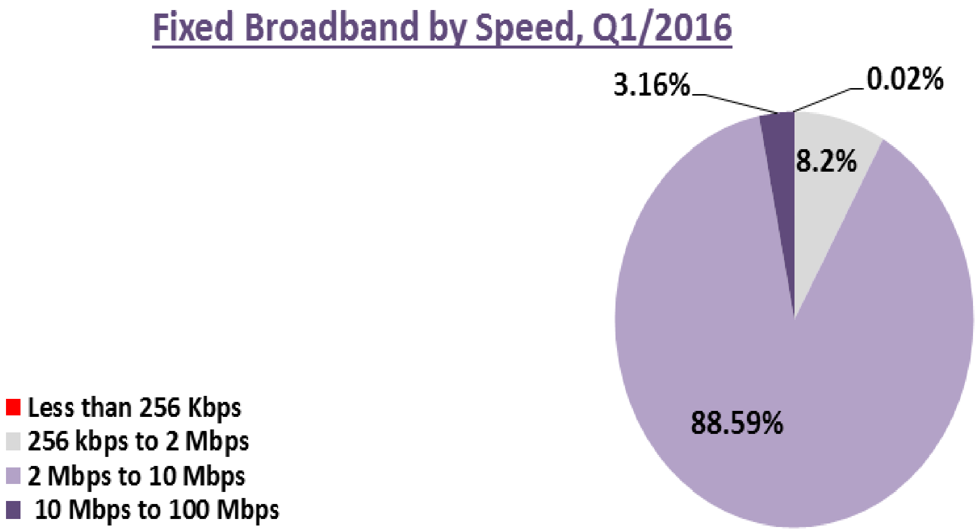


- During the first quarter 2016, fixed broadband segment has experienced 6.9% growth over the previous quarter. Fixed Broadband subscription reached 249,352 subscribers with penetration rate of 43.37% per household.

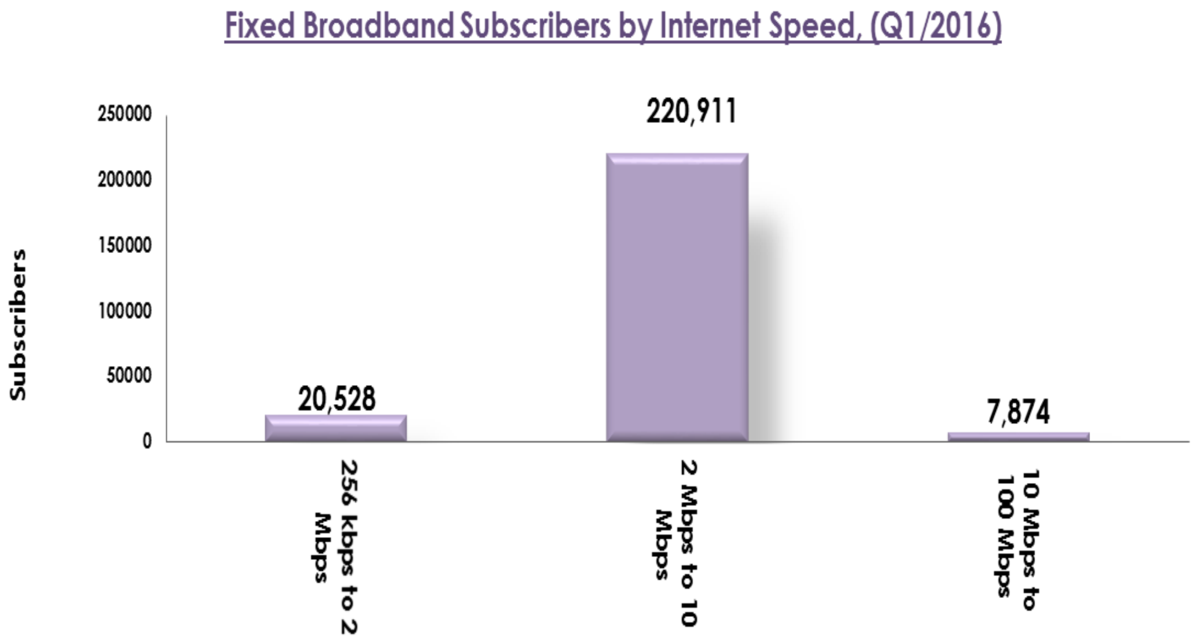
Active Mobile Broadband Subscribers

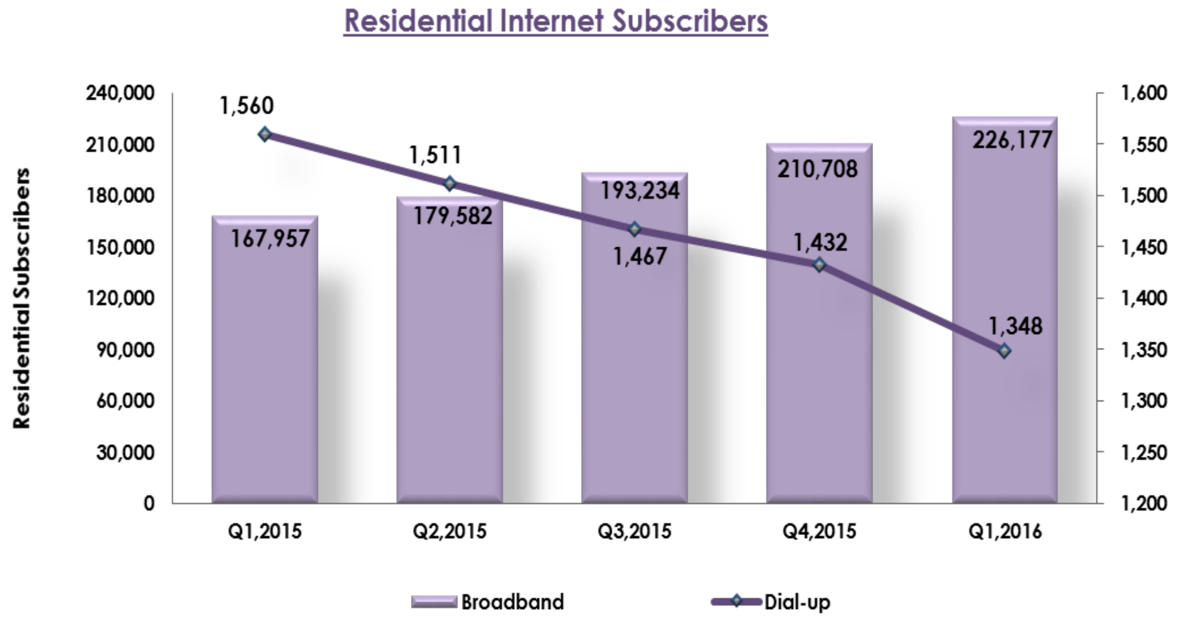


- During the first quarter 2016, total active mobile broadband subscribers rose by 3.8% to 3,377,913 from 3,253,949. Also, the penetration rate increased by 2.1% from 75.4% to 77.1% per inhabitant, which is not proportionate to increase in subscriber base due to revision of the population data as updated by NCSI in November 2015 Statistical Bulletin.



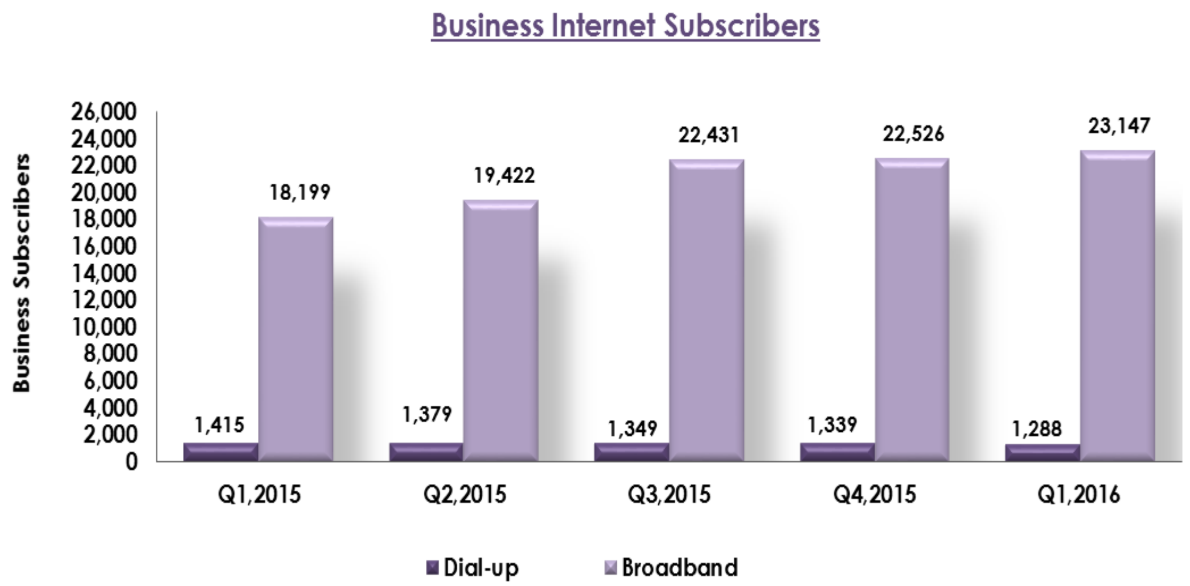
- 0.02% of fixed Broadband subscribers during Q1, 2016 had access speed of less than 256 Kbps.
- 8.2% of fixed Broadband subscribers during Q1, 2016 had access speed of 256 Kbps to 2 Mbps.
- 88.59 of fixed Broadband subscribers during Q1, 2016 had access speed of 2 Mbps to 10 Mbps.
- 3.16% of fixed Broadband subscribers during Q1, 2016 had access speed of 10 Mbps to 100 Mbps.

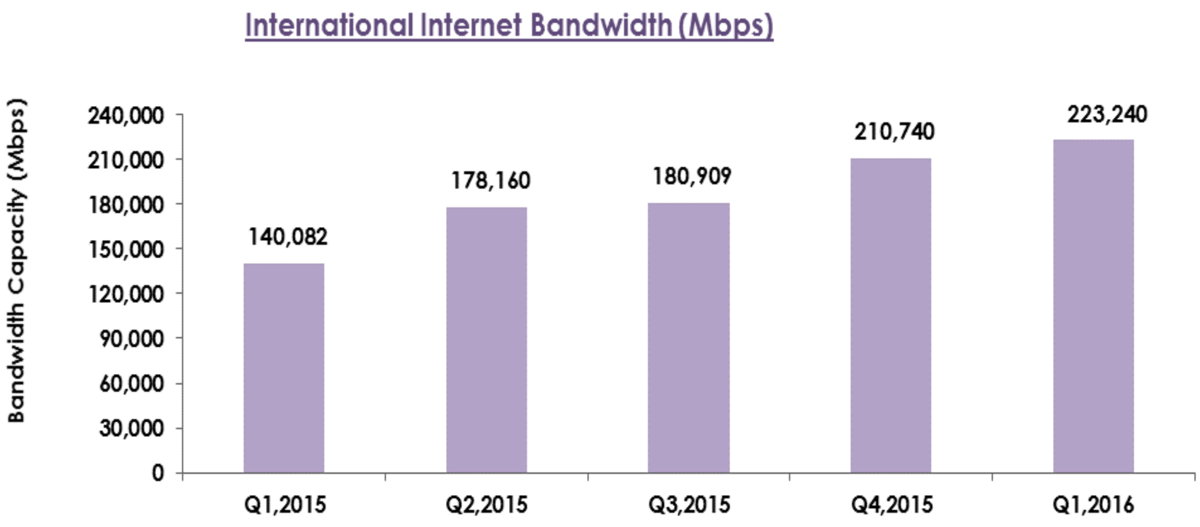




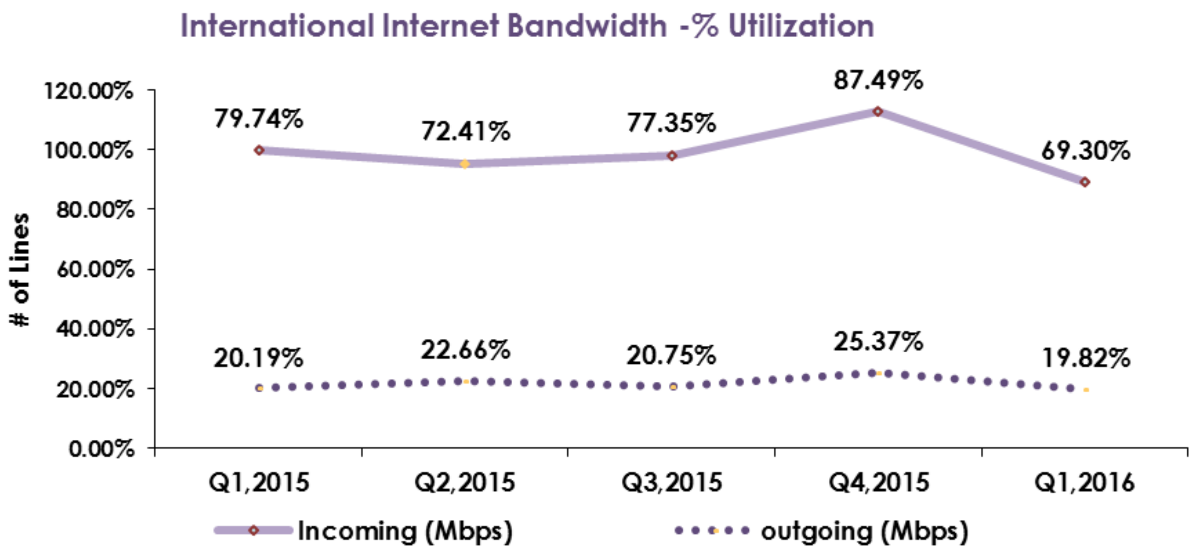
- The residential broadband subscribers in the above chart registered a growth of 7.3% during the first quarter 2016, on the other hand the residential dial up subscribers dropped by 5.9% over the fourth quarter 2015.

- The below chart presents an increase of 2.7% in the business broadband segment, while 3.8% drop in the dial up internet subscribers.



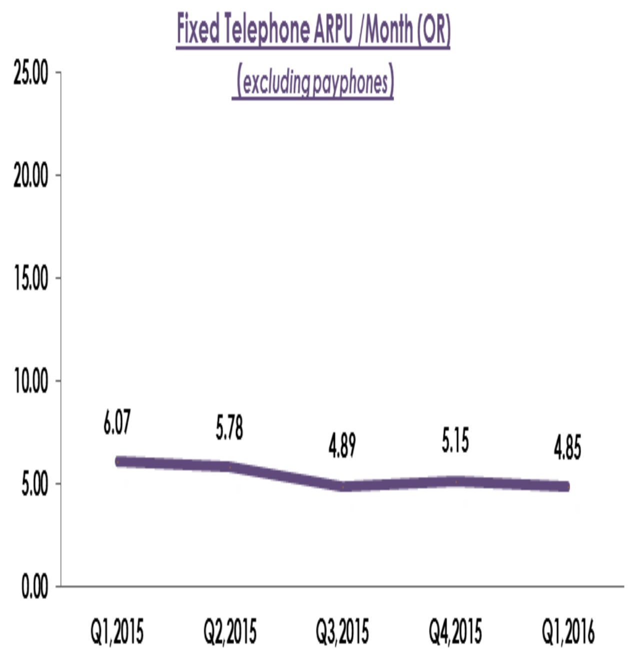


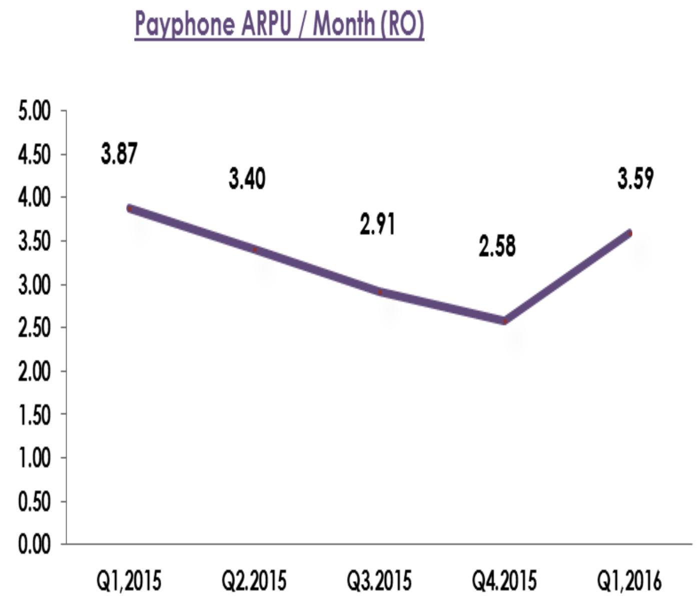
- During the first quarter 2016, the operators had 223,240 Mbps capacity for international internet bandwidth as compared to the previous quarter when it was 210,740 Mbps.

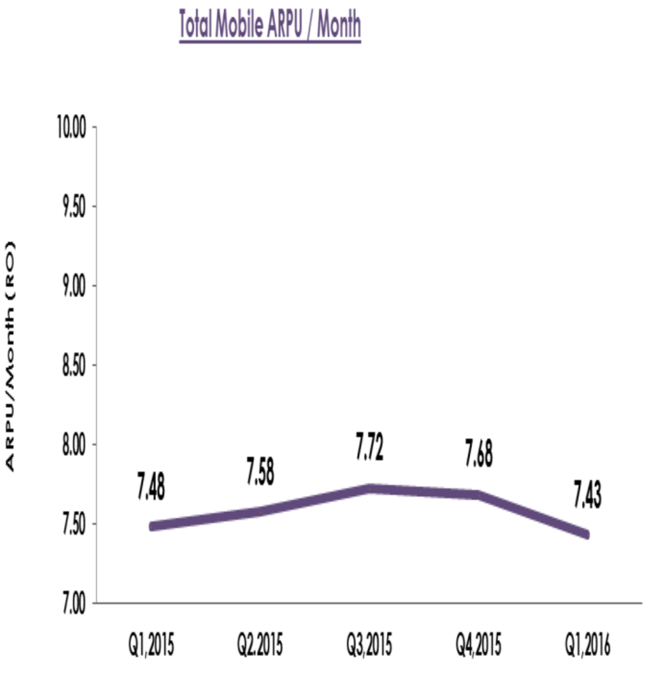


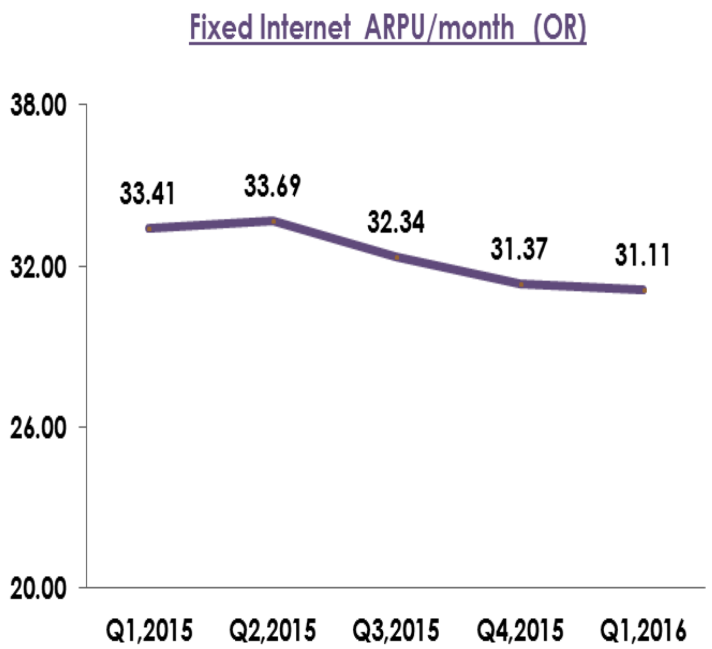
- Out of 223,240 Mbps capacity, on average 19.82% was utilized for the outgoing and 69.30 for the incoming traffic.

ARPUs









Note: (Calculation of the ARPUs is to divide the total revenue of a service on number of subscribers of that service divide by 3).

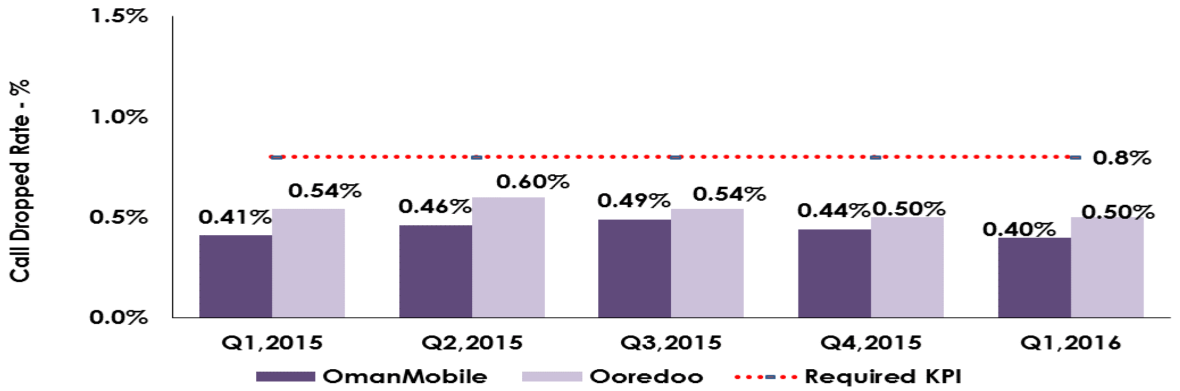
Quality of Service

Mobile Services KPIs*

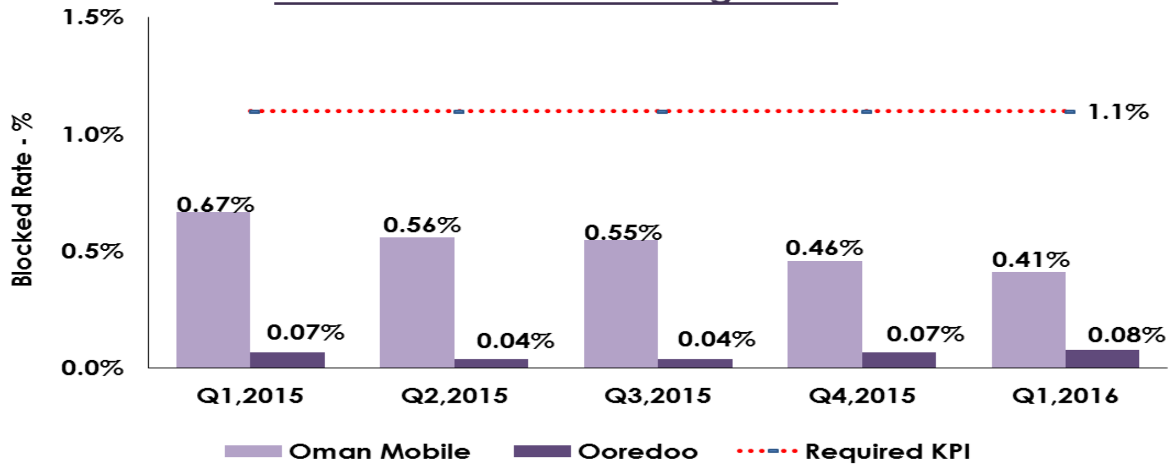
Mobile Services KPIs	Required KPI (Quarterly)	Q1/2016		Q4/2015	
		Oman Mobile %	Ooredoo %	Oman Mobile %	Ooredoo %
1. Percentage of Calls Dropped	Less than 0.8%	0.40	0.50	0.44	0.50
2. Percentage of Calls Blocked due to Congestion	Less than 1.1%	0.41	0.08	0.46	0.07
3. Percentage of billing complaints resolved within 20 working days	More than 96%	99.66	100	100	100

*(QoS indicators are as measured and reported by the operators, not audited or verified figures by TRA)

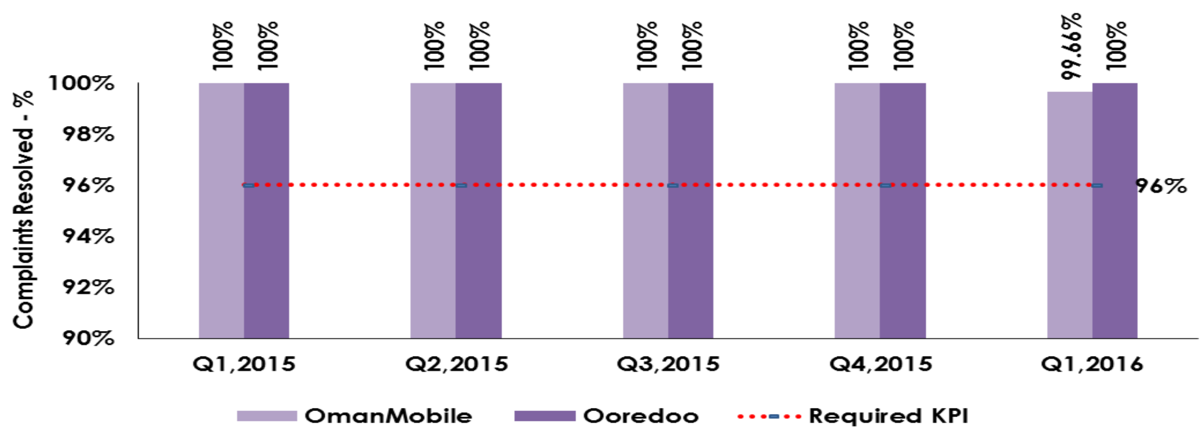
Percentage of Call Dropped



Call Blocked due to Congestion



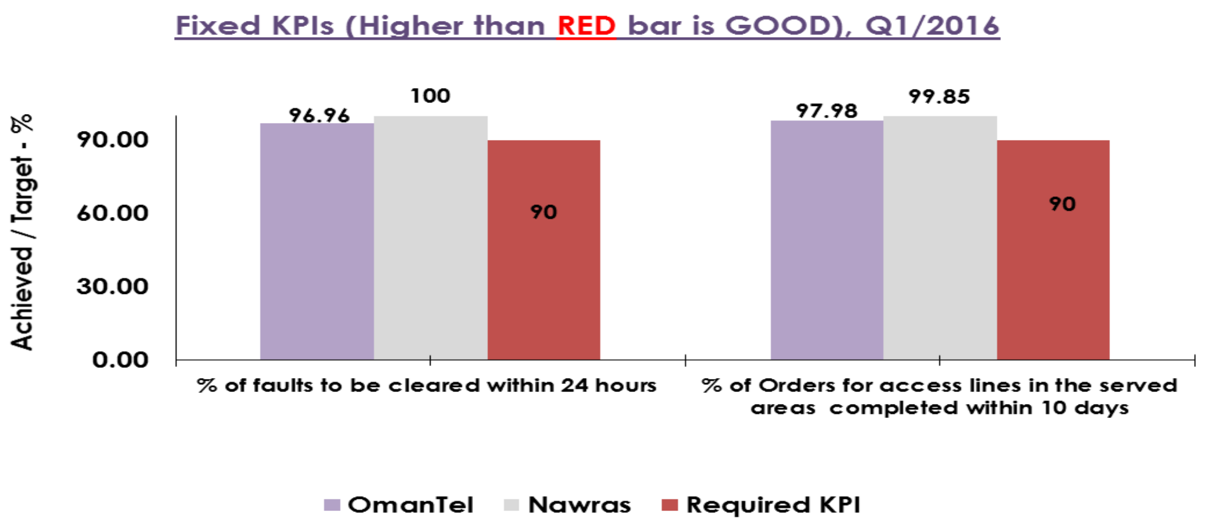
Billing Compaints within 20 Working days



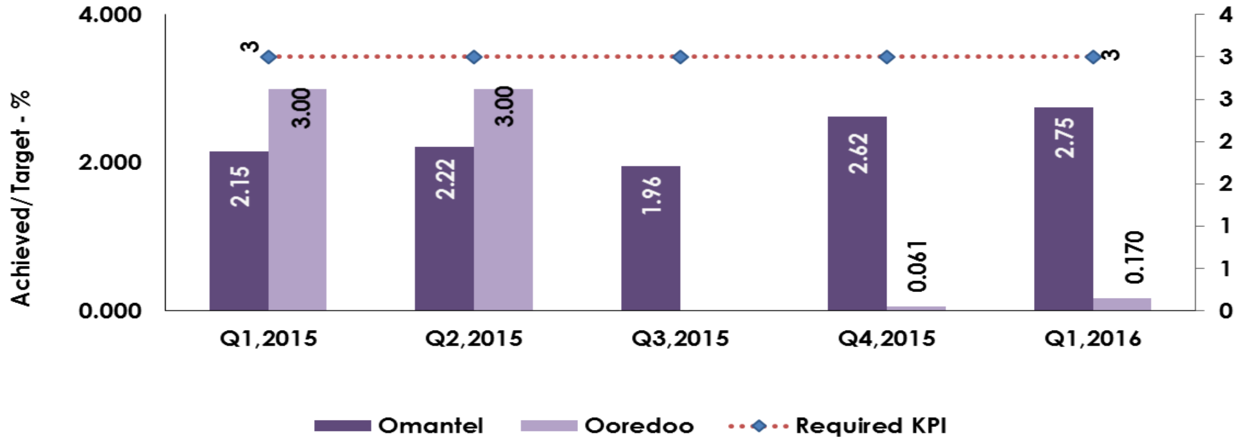
Fixed Services KPIs*

Fixed Services KPIs	Required KPI (Quarterly)	Q1/2016		Q4/2015	
		Omantel %	Ooredoo %	Omantel %	Ooredoo %
1. Faults per 100 lines per quarter	Less than 3	2.75	0.17	2.62	0.06
2. % of faults to be cleared within 24 hours	More than 90%	96.96	100	96.82	99.02
3. Unsuccessful call Ratio for local and national fixed calls	Less than 1%	0.05	0.11	0.07	0.13
4. Percentage of Orders for access lines in the served areas completed within 10 days	More than 90%	97.98	99.85	96.73	99.76
5. Billing complaints per 1000 Bills	Less than 1.5	0.23	0.83	0.67	0.13
6. Percentage of billing complaints resolved within 20 working day	More than 96%	99.26	100	100	100

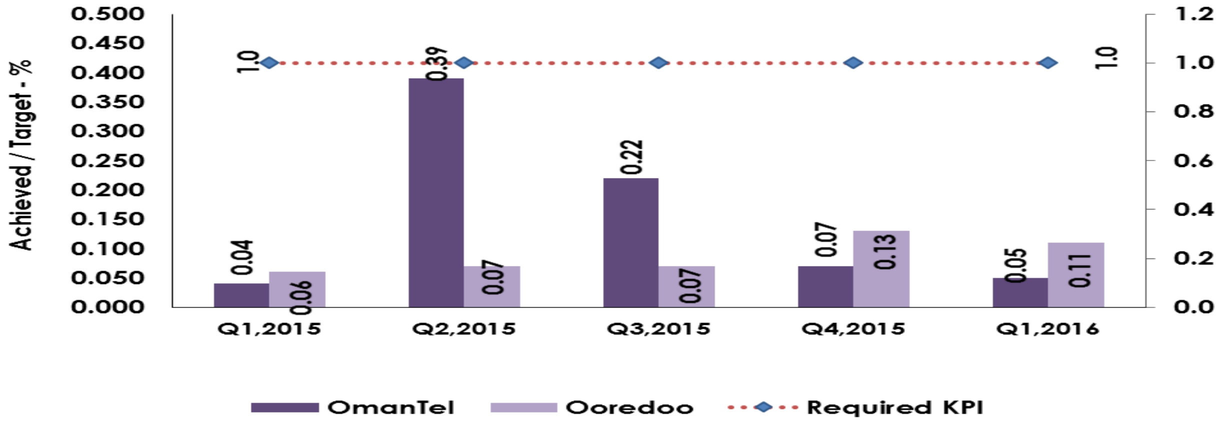
*(QoS indicators are as measured and reported by the operators, not audited or verified figures by TRA)



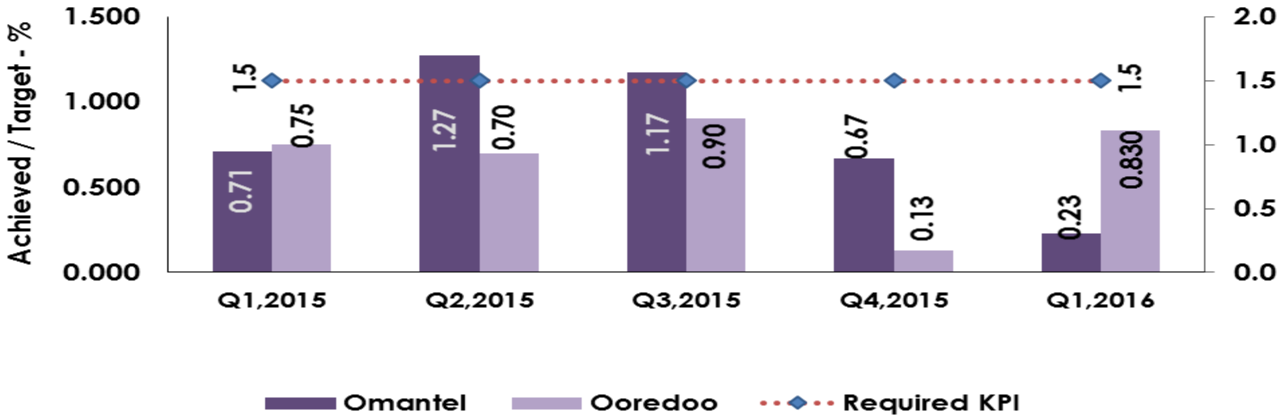
Faults per 100 lines (Lower than RED bar is GOOD)



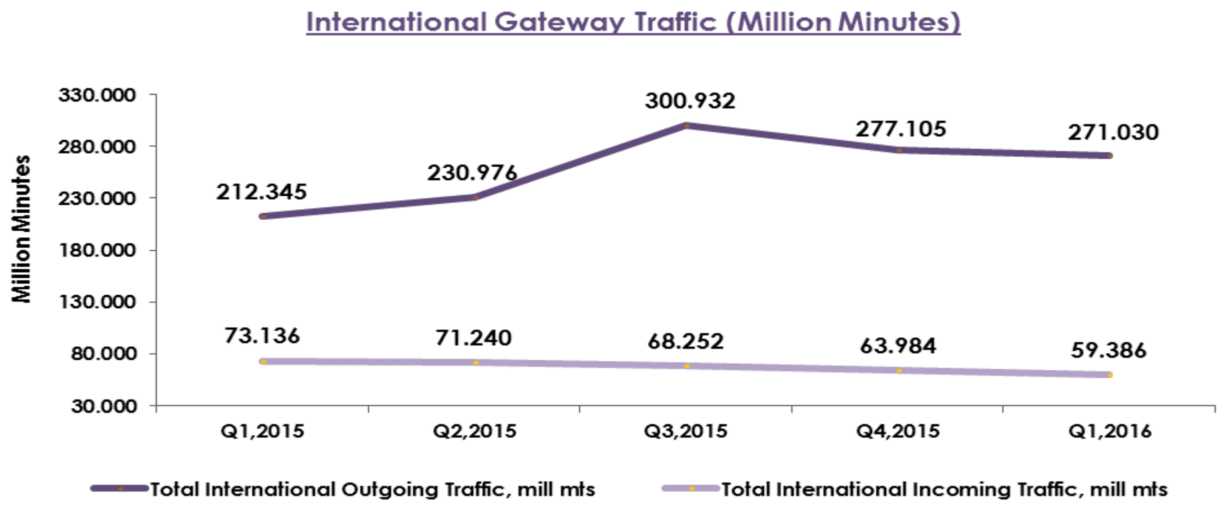
Unsuccessful call Ratio for local and national fixed calls (Lower than RED bar is GOOD)



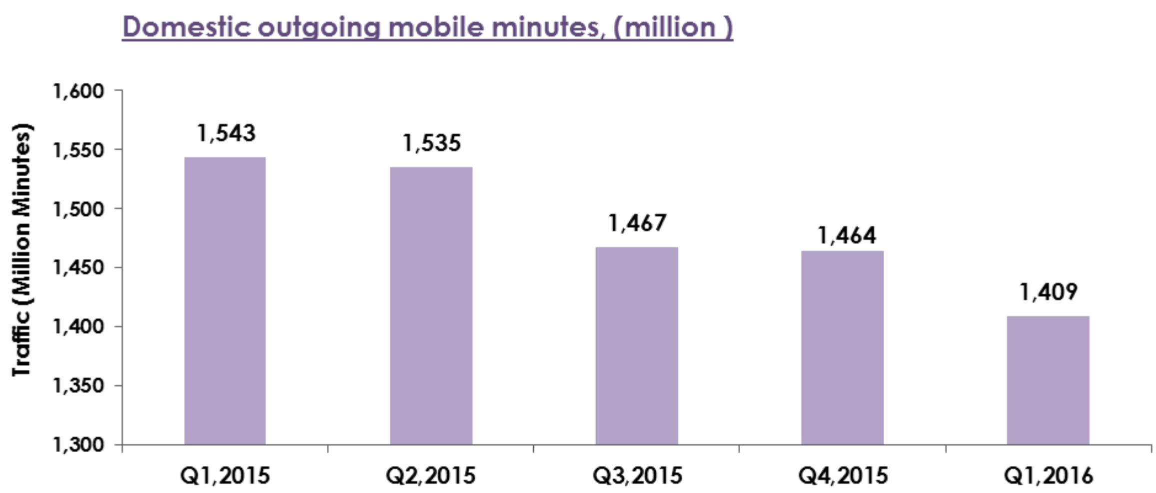
Billing complaints per 1000 Bills (Lower than RED bar is GOOD)



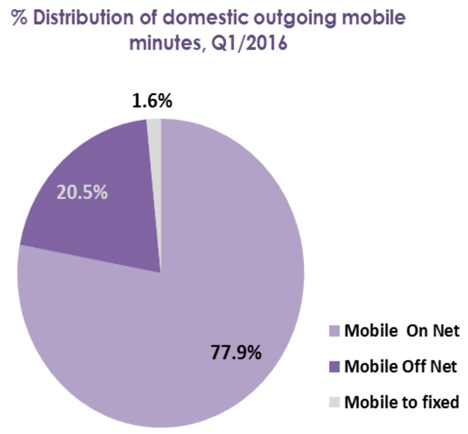
Traffic

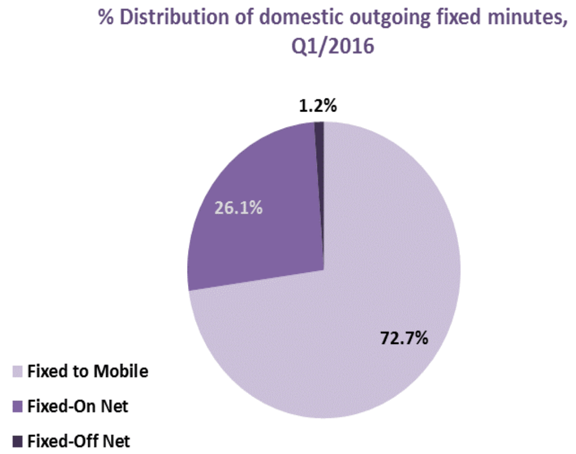


- The first quarter 2016 experienced decline in the international traffic. The international outgoing traffic decreased by 2.19%, similarly the incoming traffic declined by 7.2% during the first quarter against the fourth quarter 2015.

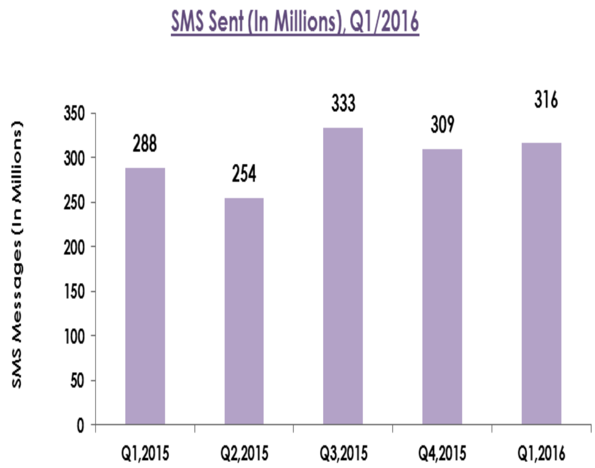


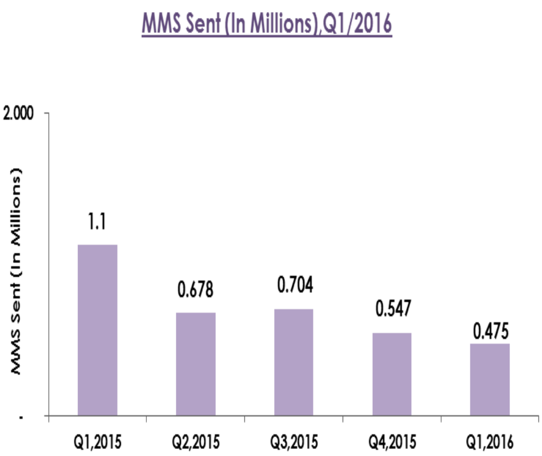
- During the first quarter 2016, the domestic outgoing mobile declined by 3.8% to 1,409 million minutes from the 1,464 million minutes.





- By the end of the first quarter 2016, mobile to mobile (On net) traffic has the major share of the 77.9% out of the total domestic outgoing traffic. While the Off net mobile domestic traffic has 20.5%, and mobile to fixed represents1.6% of the mobile domestic traffic.
- During the first quarter 2016, the domestic outgoing fixed traffic achieved 72.7% share for fixed to mobile, 26.1% for fixed to fixed (On-net), and 1.2% for fixed to fixed (Off-net) traffic.



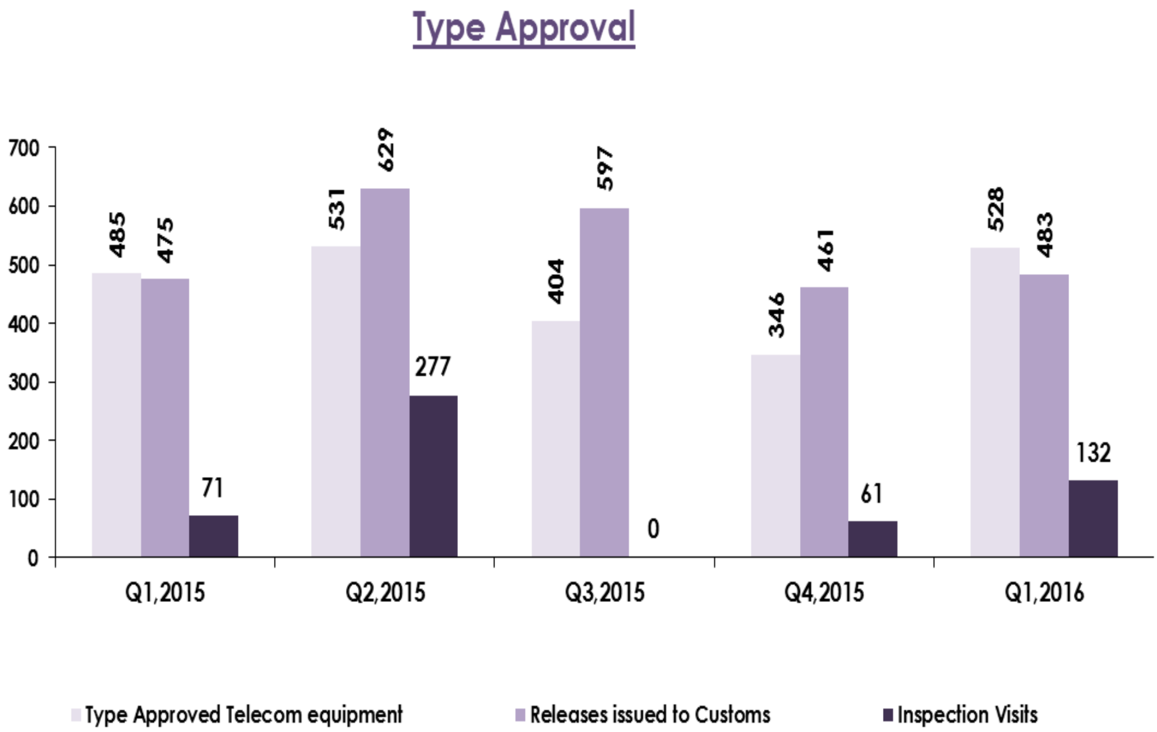


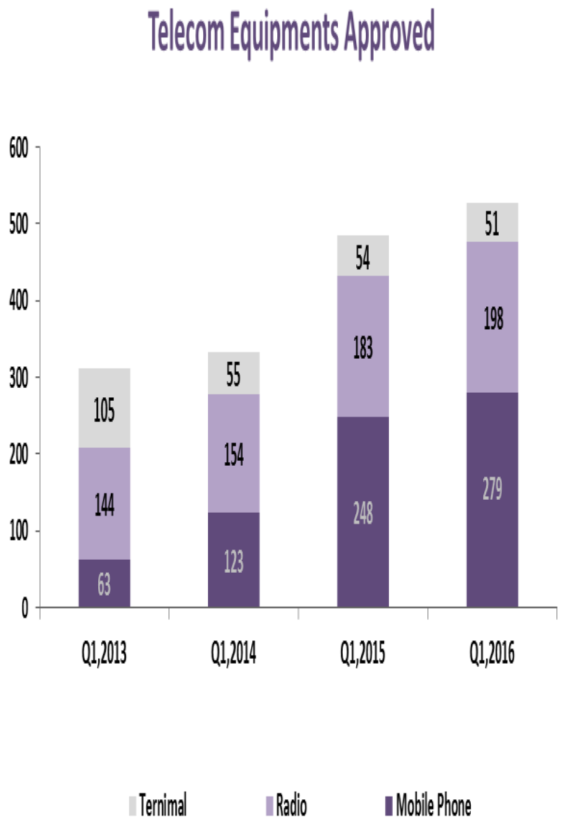
- Total outgoing SMS decreased to reach 316 million messages by the first quarter 2016 from 309 million messages in the fourth quarter, 2015.
- The number of outgoing MMS has been gradually decreasing since the last year. In the first quarter, it decreased from 0.547 to 0.475 million messages.

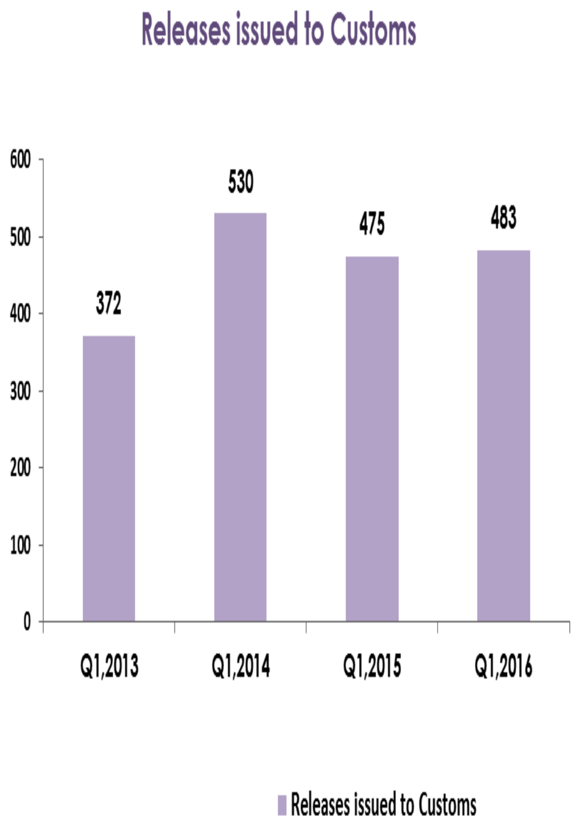
Type Approval

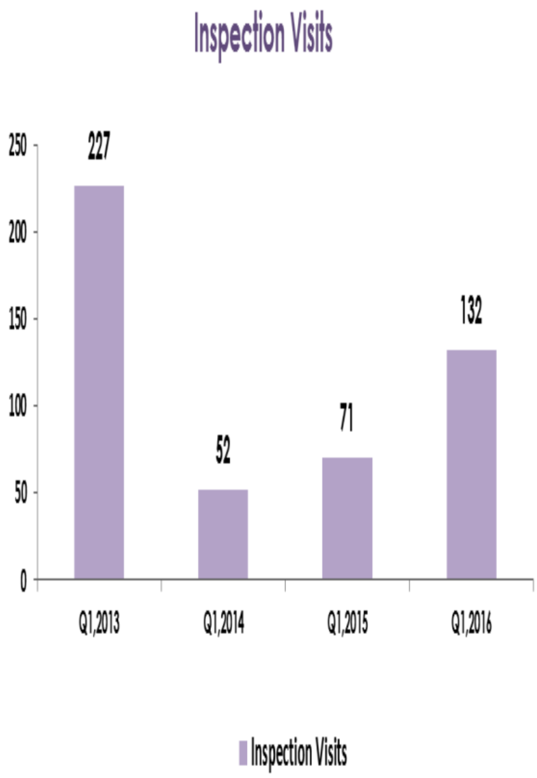
During the First Quarter 2016 , TRA :

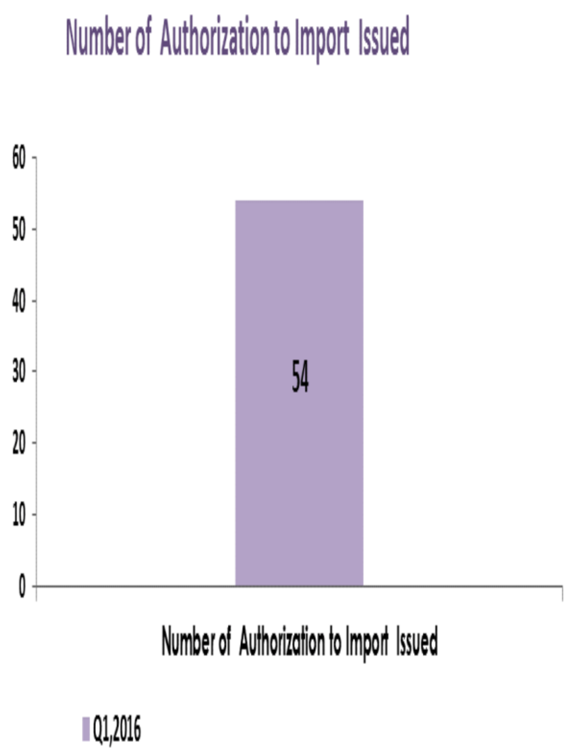
- Approved a total number of 528 (Previous Quarter 346) Telecom Equipment.
- Issued 483 (Previous Quarter: 461) Releases to Customs for Import of Telecom equipment.
- Inspected 132 (Previous Quarter: 61) dealerships.




Telecom Equipments Approved
600
500
400
300
200
100
0
105
144
63
55
154
123
54
183
248
51
198
279
Q1,2013
Q1,2014
Q1,2015
Q1,2016
Ternimal
Radio
Mobile Phone


Releases issued to Customs
600
500
400
300
200
100
0
372
530
475
483
Q1,2013
Q1,2014
Q1,2015
Q1,2016
Releases issued to Customs


Inspection Visits
250
200
150
100
50
0
227
52
71
132
Q1,2013
Q1,2014
Q1,2015
Q1,2016
Inspection Visits


Number of Authorization to Import Issued
60
50
40
30
20
10
0
54
Number of Authorization to Import Issued
Q1,2016

Tariffs & Promotions

Number of Promotions approved Q4 2015															
Licensee	Voice		Voice International	Data		New Connections/ Starter Pack		International Mobile Roaming	Value Added Services	International Mobile Roaming	Top-Up and Bundled services	Leased line/MPLS	Miscellanious	Total	%
	Mobile	Fixed		Mobile	Fixed	Mobile	Fixed								
Renna			3	1		1					1			6	19%
Friendi			3	2		2					2			9	28%
Teo														0	0%
Omantel				1	1						6		1	9	28%
Ooredoo			1		2	1			1		3			8	25%
Total	0	0	7	4	3	4	0	0	1	0	12	0	1	32	100%
	0.0%	0.0%	21.9%	12.5%	9.4%	12.5%	0.0%	0.0%	3.1%	0.0%	37.5%	0.0%	3.1%	100%	

Number of new services, Tariffs and Revisions approved Q1, 2016															
Licensee	Voice		Voice International	Data		New Connections/ Starter Pack		International Mobile Roaming	Value Added Services	International Mobile Roaming	Top-Up and Bundled services	Leased line/MPLS	Miscellanious	Total	%
	Mobile	Fixed		Mobile	Fixed	Mobile	Fixed								
Renna														0	0%
Friendi														0	0%
Teo				1										1	8%
Omantel					3				2			1		6	46%
Ooredoo					3	1		2						6	46%
Total	0	0	0	1	6	1	0	2	2	0	0	1	0	13	100%
	0%	0%	0%	8%	46%	8%	0%	15%	15%	0%	0%	8%	0%	100%	

Number of promotions/ new services and revisions segment wise

No. of Promotions	Mobile	Fixed	Mobile & Fixed	Total
	28	4	0	**32**
%	88%	13%	0%	**100%**
No. of new services and revisions	5	7	1	**13**
	38%	54%	8%	**100%**

No. of Promotions	Personal	Corporate	Personal & Corporate	Total
	31	1	0	**32**
%	97%	3%	0%	**100%**
No. of new services and revisions	6	6	1	**13**
	46%	46%	8%	**100%**

No. of Promotions	Prepaid	Postpaid	Mobile & Fixed	Prepaid & Postpaid	Total
	22	9		1	**32**
%	69%	28%	0%	3%	**100%**
No. of new services and revisions		5		6	**11**
	0%	45%	0%	55%	**100%**

Summary of Promotion's Statistics for Q1/2016:

- Promotions increased by 19% comparing with the same quarter last year 2015 from 27 to 32.
- Most of services approved dominated by Top-Up & Bundled Services 38%, Mobile International call services 22% and MBB and FBB 22% altogether.
- Resellers contributed for 47% of the total promotions approved this quarter.
- Licensees started to apply the new capped tariffs of the new roaming framework in the GCC and Omantel offered lower rates than the capped tariffs.
- 54% of the new services and revision were on FBB, leased lines and MPLS for Personal and Corporate, examples of such services approved by TRA: ADSL, IPTV, business video conferencing.
- This period witnessed launching number of promotions on the occasion of Muscat Festival.

Summary of the Tariff Activities in Q1/2016:

The most services and revisions approved this quarter are as follows:

- IPTV was launched, Omantel first service provider to provide this service in Oman.
- Jawazak Europe Data Roaming plans were launched on a permanent basis.
- Nama Corporate plans were revised.
- TRA approved Al Raffd Fund Offer of data services for Sanad Offices to support SME's for both Omantel and Ooredoo.
- Ooredoo launched Business video Conferencing Services