سلطنة عُمان
Sultanate of Oman

هيئة تنظيم الاتصالات
Telecommunications Regulatory Authority

Quarterly Report on Telecom Sector Indicators

Q2, 2015

Competition and Tariffs Unit

Table of Content

➢ Introduction

It is our pleasure to present Q2 2015 Report for the Indicators of Telecom Sector of Oman. The TRA has been compiling and publishing basic statistics on quarterly basis to provide market information 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

Q2, 2015

The penetration of different services stood at the following levels at the end of the Q2/2015:

- Fixed line 9.69% per inhabitants
- Mobile subscriptions 154.05% per inhabitants
- Fixed Internet 50.04% per households.

The Active Mobile Broadband Subscribers' Penetration reached 74.21% by the end of Q2/2015 with total active subscribers reaching 3,083,375.

The Blackberry Subscribers represent 1.11% of the total Mobile Subscribers base at the end of Q2/2015 as compared to 1.2% of total mobile subscribers as at the end of preceding quarter.

During the Q2/2015, the TRA received and approved:

- 3 Tariff Plans for Revisions.
- 2 New tariff plans.
- 53 promotional tariff offers

TRA type approved 531 telecom equipments, renewed 133 registrations of telecom dealers and registered 110 new dealers. TRA Issued 629 releases to customs for importing telecom equipments.

TRA carried out 277 inspections of dealers to check compliance of TRA regulations.

Summary of Main Telecommunications Indicators

Q2, 2015

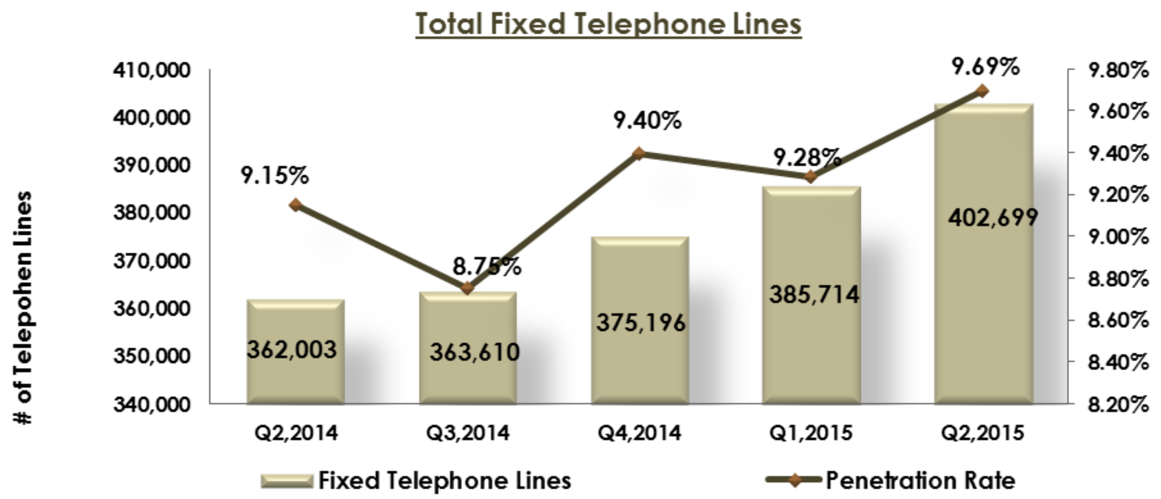
Indicator	Fixed Telephony Service *(other than Fixed Internet)*	Fixed Internet Service	Mobile Service
Subscribers	**402,699**	**201,299**	**6,400,949**
Penetration rate	**100.10% of household**	**50.04% of household**	**154.05% of inhabitant**
Revenue (Mln.RO)	**49,025**	**20,344**	**147,563**
International Outgoing Voice Minutes, (million)	**7,688**	**NA**	**223,288**
ARPU, (RO)	**5.68**	**33.69**	**7.68**
Service Providers	Omantel, Ooredoo, Teo	Omantel, Ooredoo	Oman Mobile, Ooredoo, Friendi, Renna, Teo

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

Fixed Telephone Service

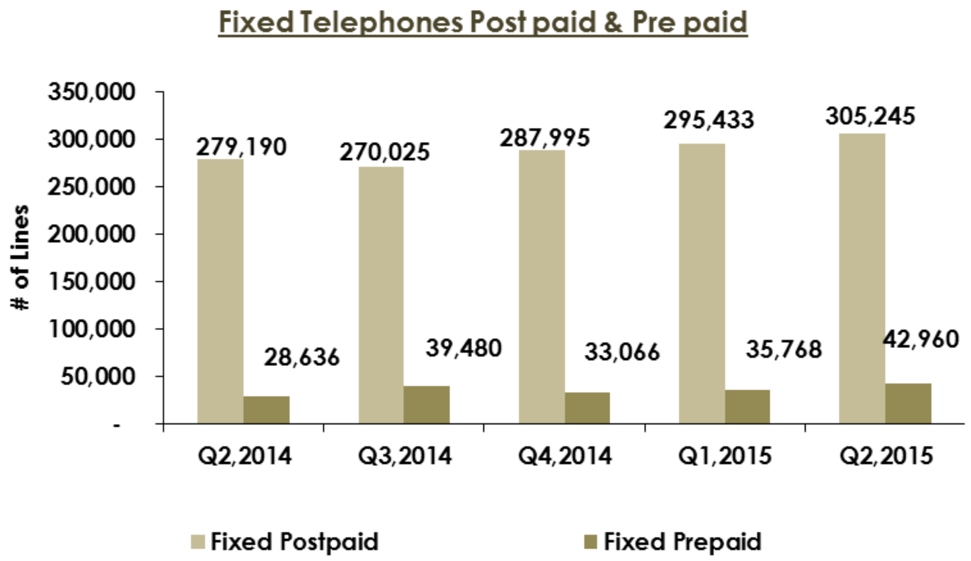
Type of Service	Q2/2015	Q1/2015	% Change
1. Fixed Telephone Lines:			
1.1 Post Paid	305,245	295,433	**3%**
1.2 Pre-Paid	42,960	35,768	**20.1%**
1.3 Public Telephone – Payphone	6,801	6,801	**0%**
1.4 ISDN Equivalent Channels	45,930	45,928	**0.004%**
1.5 WLL Connections	1,763	1,784	**-1.18%**
Total Fixed Telephone Lines in Operation (1.1-1.5)	**402,699**	**385,714**	**4.40%**
Fixed Line Penetration /100 Inhabitant	**9.69%**	**9.28%**	**0.41%**
Fixed Line Penetration /100 household	**100.10%**	**95.88%**	**4.22%**

- **Note: The Q1/2015 penetration rates are calculated based on the population (4,155,125), as per the latest bulletin published by NCSI – April 2015.**
- **Households: 402,286 (as per census 2010)**

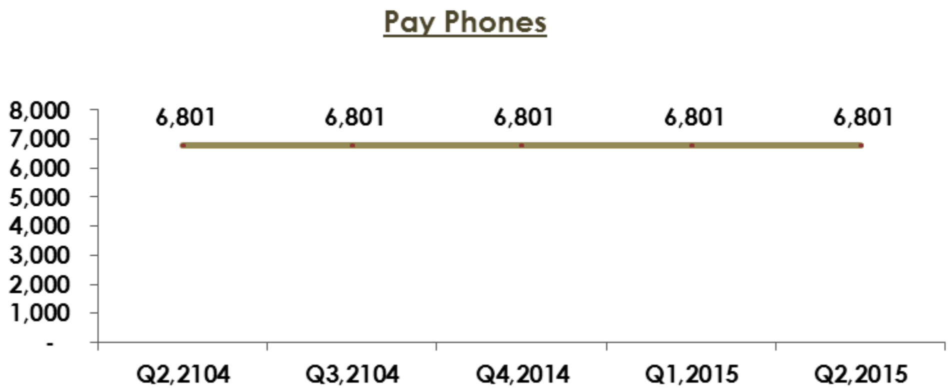


Note: the steep drop in penetration in Q3/2014 and again in Q1/2015 was due to revised Population figure published by NCSI.

- Second Quarter 2015 achieved 402,966 fixed line subscribers with an increase of 16,985 lines as compared to the previous quarter (Q1/2015).
- The penetration rate per household of the fixed line subscribers increased from 95.88% to 100.10% by end of the second quarter, 2015.

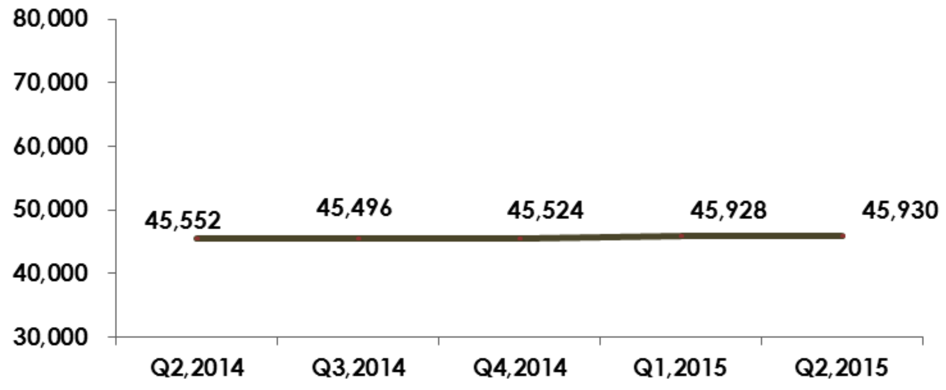


Both the fixed postpaid and pre-paid subscriptions grew during the second quarter 2015 by 3.3 %, and 20.1% respectively.



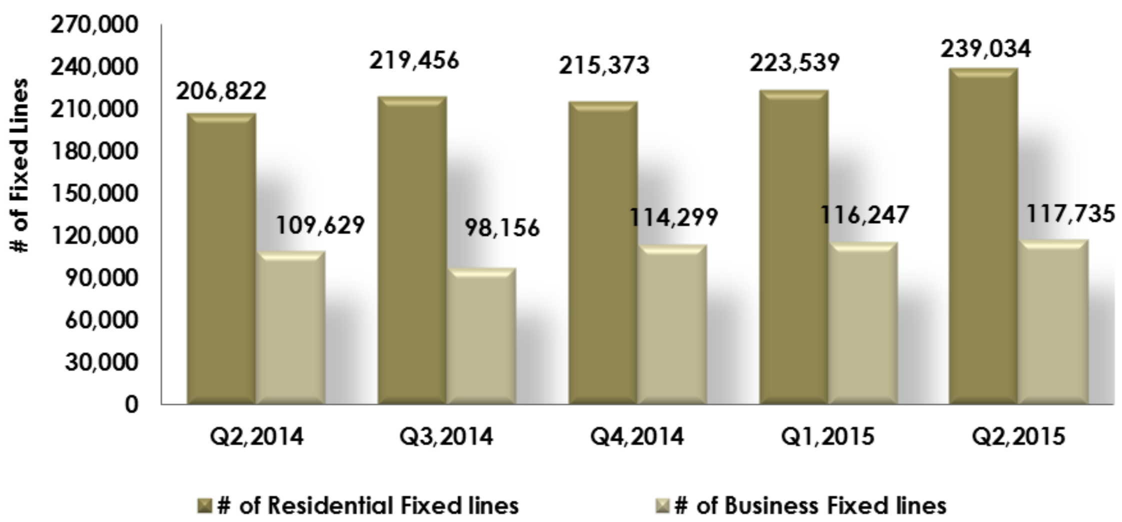
Public payphones remained unchanged since last year with the total of 6,801 pay phones in service.

ISDN Equivalent Channels



During the second quarter 2015, the ISDN equivalent channels reached 45,930 channels with an increase of 2 channels.

Residential Vs Business Fixed Line Subscribers



Both residential fixed line subscribers and business subscribers grew by 7%, 1.3% respectively during the second quarter 2015.

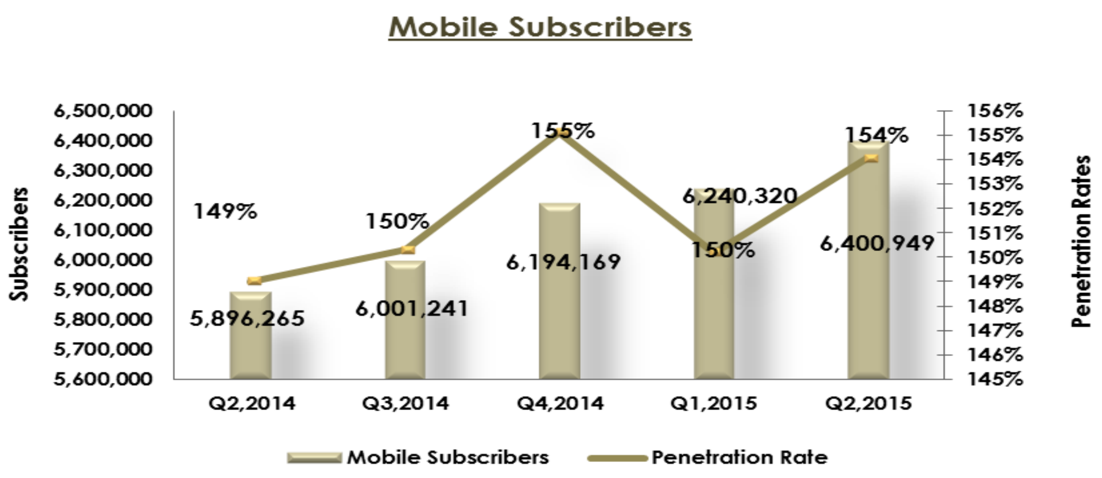
The split between fixed residential and business lines stood at 67% and 33% respectively in Q2/2015.

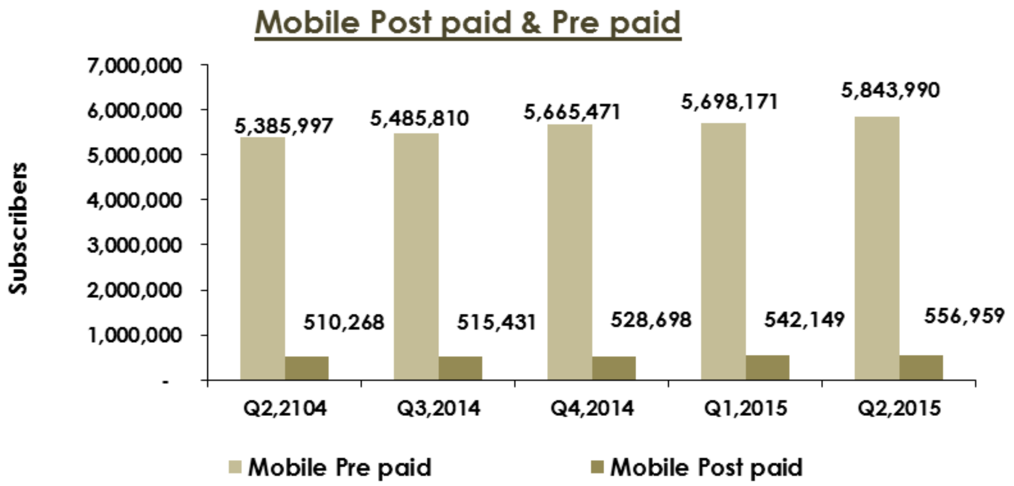
Mobile Service

2. Mobile Subscribers	Q2, 2015	Q1, 2015	% change
2.1 Post Paid			
2.1.1 Operators	556,959	542,149	**2.7%**
Total Postpaid Subscribers	**556,959**	**542,149**	**2.7%**
2.2 Pre-Paid			
2.2.1 Operators	5,019,927	4,955,033	**1.3%**
2.2.2 Resellers	824,063	743,138	**10.8%**
Total Prepaid Subscribers	**5,843,990**	**5,698,171**	**2.6%**
Total Mobile Subscribers: (2.1+2.2)	**6,400,949**	**6,240,320**	**2.6%**
Mobile Penetration/100 Inhabitant	**154.05%**	**150.18%**	**3.87%**
3.1 Post Paid	6,528	7,427	**-12.1%**
3.2 Pre-Paid	65,098	68,986	**-5.6%**
Total BlackBerry Subscribers (3.1+3.2)	**71,626**	**76,413**	**-6.3%**
% of BlackBerry Mobile Subscribers of total Base in Oman	**1.11%**	**1.2%**	**-0.09%**

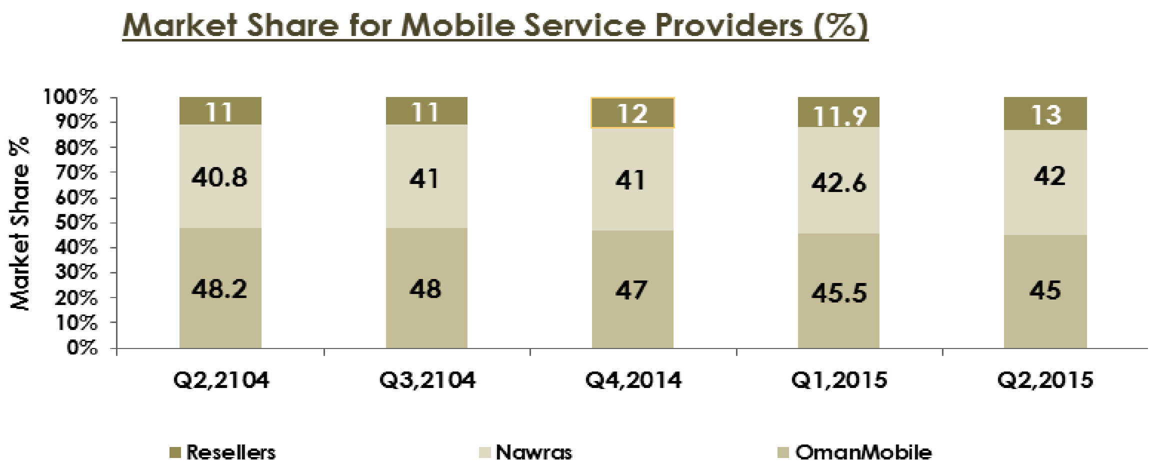
- **Note: The Q2/2015 penetration rates are calculated based on the population (4,155,125), as per the latest bulletin published by NCSI – April 2015.**

- The mobile subscribers grew slightly by 2.6% during the second quarter 2015 achieving a total of 6,400,949 subscribers.
- The mobile penetration increased from 150.18% to 154.05% in comparison to the Q1/2015.

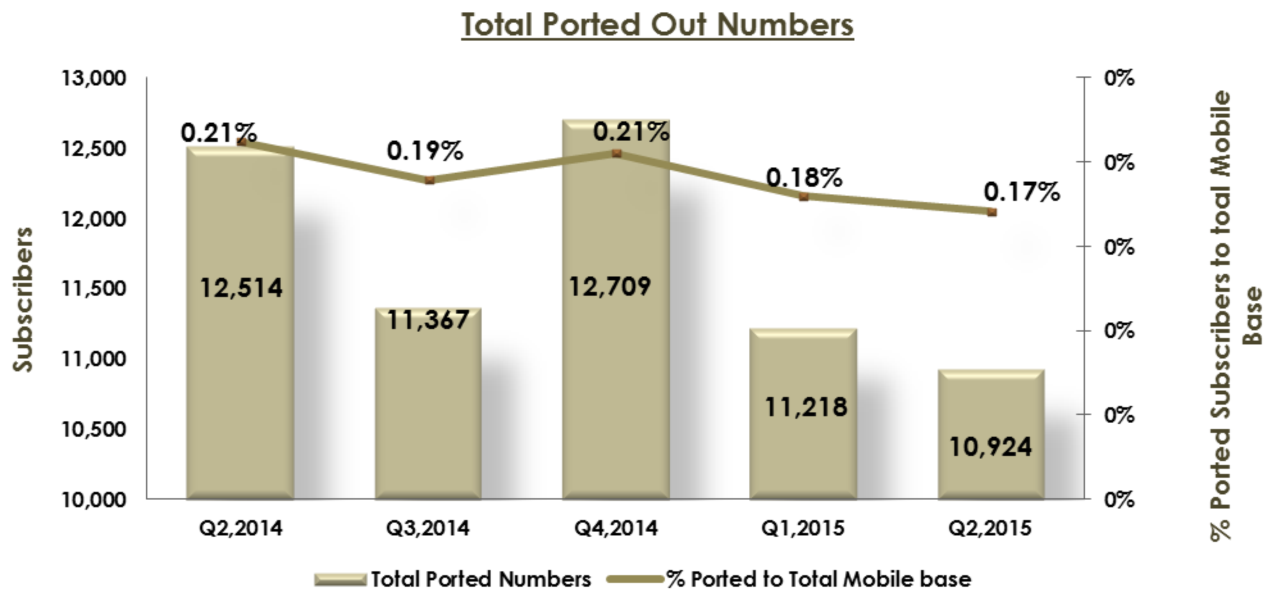




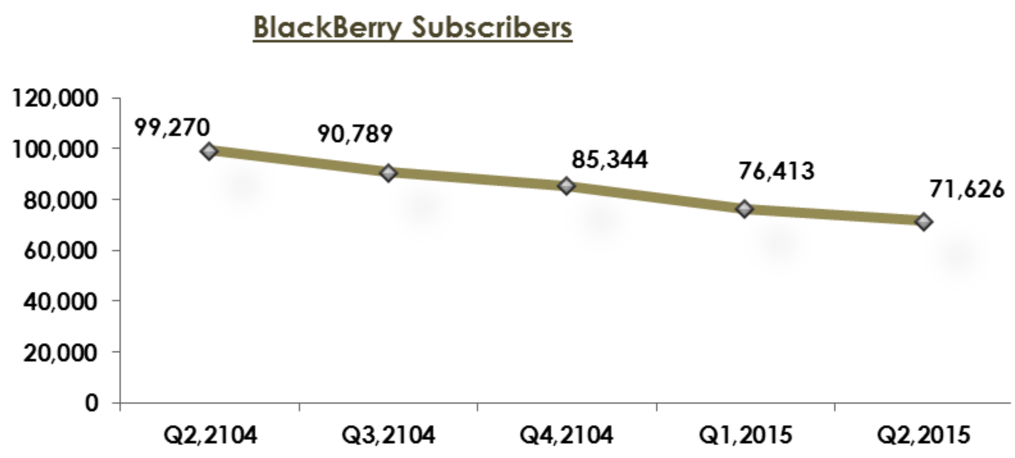
- Both the mobile postpaid and prepaid subscribers grew during the second quarter 2015.
- Post-paid mobile subscribers reached 556,959, with 2.7% growth over the previous quarter.
- Prepaid mobile subscribers got addition of 2.6% reaching to 5,843,990 subscribers.



- Oman mobile continued scoring the highest market share achieving 45% during the first quarter 2015, while Ooredoo scored 42% market shares. The Resellers attained 13% market share during the reported quarter.



- The mobile ported out numbers shrank during the second quarter 2015 by 2.6% from 11,218 to 10,924 numbers.
- Accordingly, the percent contribution to the mobile base declined from 0.18% to 0.17% over the previous quarter



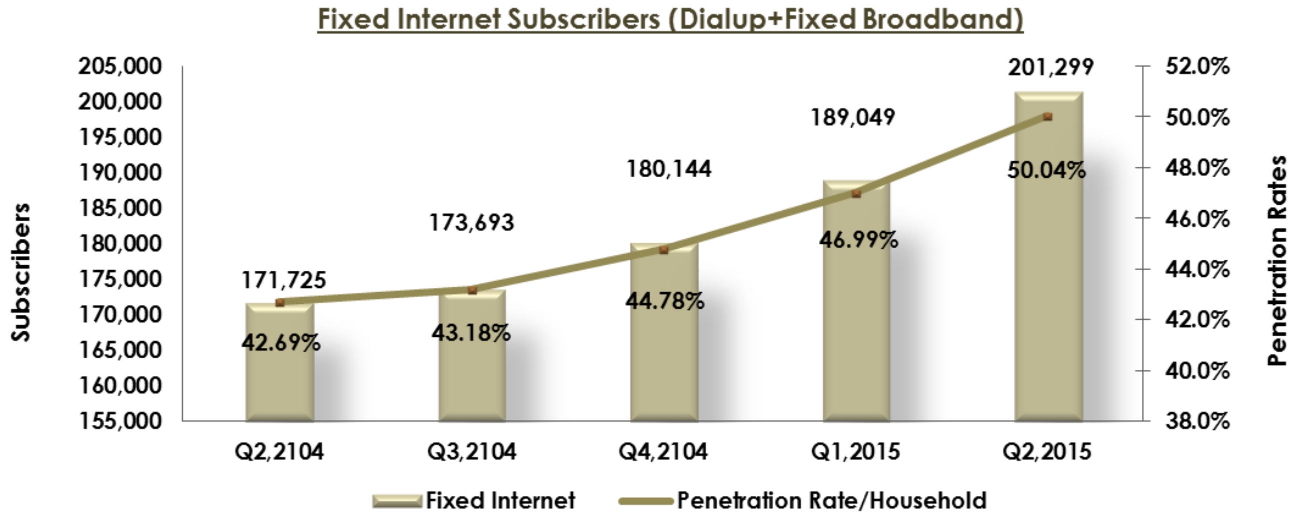
- By end of second quarter 2015, the blackberry subscribers reached 71,626 with 6.3% drop in comparison with the first quarter 2015.

- Blackberry subscribers represent 1.4% of the total mobile subscribers as compared to the previous quarter when it was 1.1%.

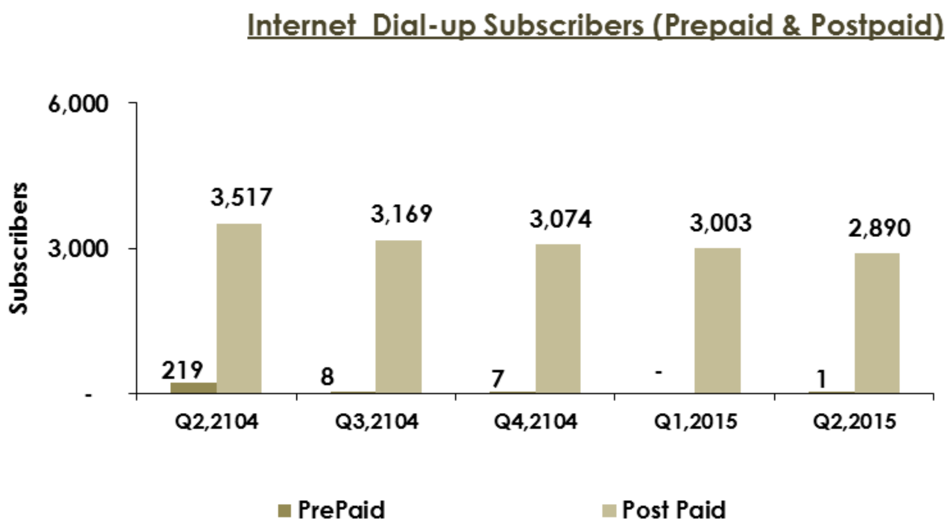
Internet Services

Type of Service	Q2,2015	Q1,2015	
Dial Up Subscribers			
1.1 Post Paid	2,890	3,003	**-3.8%**
1.2 Pre-Paid	1	0	**0%**
1. Total Dial-Up Subscribers: (1.1+1.2)	**2,891**	**3,003**	-3.7%
Fixed Broadband Subscribers			
2. Total Fixed Broadband Subscribers	**198,408**	**186,046**	6.6%
Total Fixed Internet Subscribers (1+2)	**299,201**	**189,049**	6.5%
Fixed Internet Penetration /100 Household	**50.04%**	**47%**	6.5%
Fixed Broadband Subscribers Penetration/100 Household	**49.32%**	**46.25%**	3.1%
3. Active Mobile Broadband Subscribers			
3.1 Dedicated mobile-broadband Subscribers	2,107,907	2,097,459	**0.5%**
3.2 Standard mobile-broadband Subscribers	975,468	834,883	**16.8%**
Total Active Mobile Broadband Subscribers (3.1+3.2)	**3,083,375**	**2,932,342**	**5.1%**
Active Mobile Penetration Rate /100 Inhabitant	**74.21%**	**70.57%**	3.4%

- **Note: The Q2/2015 penetration rates are calculated based on the population (4,155,125), as per the latest bulletin published by NCSI – April 2015.**
- **Households: 402,286 (as per census 2010)**

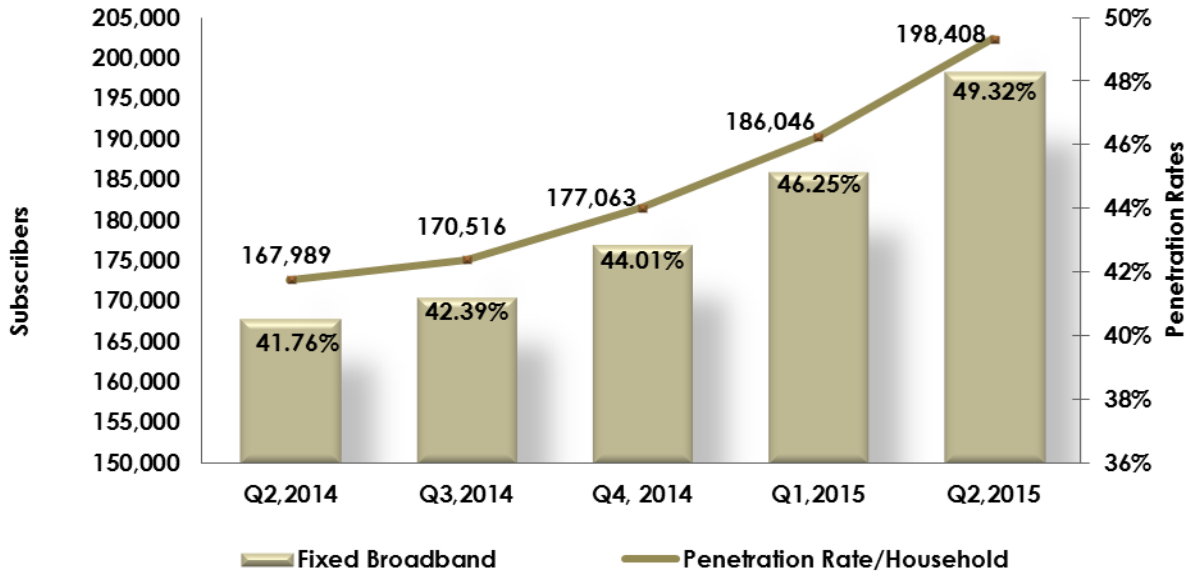


- The fixed internet subscribers were added up by 12,250 subscribers during the second quarter 2015. This showed 6.5% growth over the previous quarter.
- During the reported quarter, the fixed internet penetration rate per household reached 50.04% which is 6.5% more than the previous quarter.



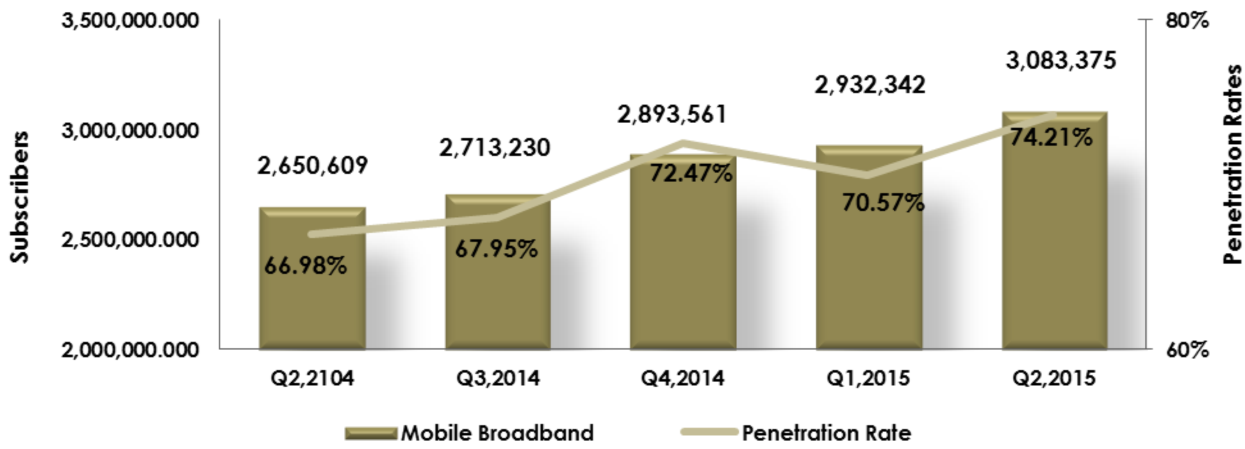
- Since the last year, dial up postpaid internet subscribers have been continuously shrinking reaching to 2,890 subscribers by end of Q2, 2015.
- During Second Quarter 2015, only one internet prepaid subscriber was registered.

Fixed Broadband Subscribers

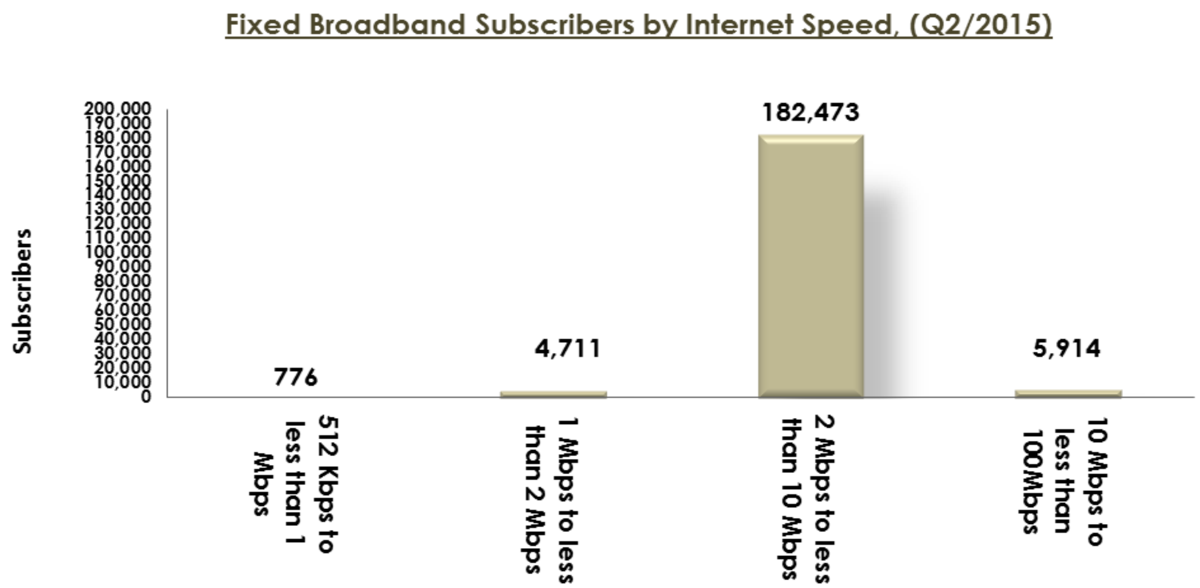


➢ During the second quarter 2015, fixed broadband segment has experienced 7% growth over the previous quarter. Fixed Broadband subscription reached 198,408 with penetration rate of 49.32% per household.

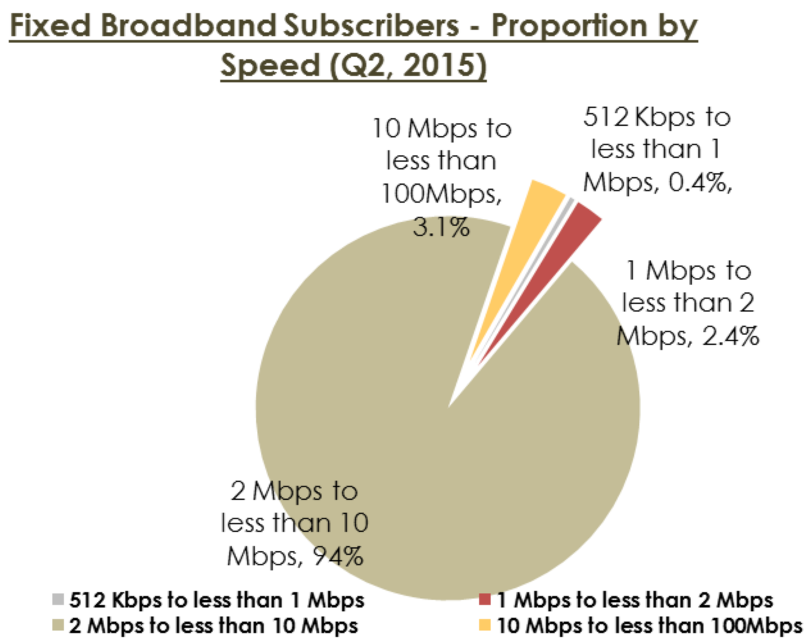
Active Mobile Broadband Subscribers

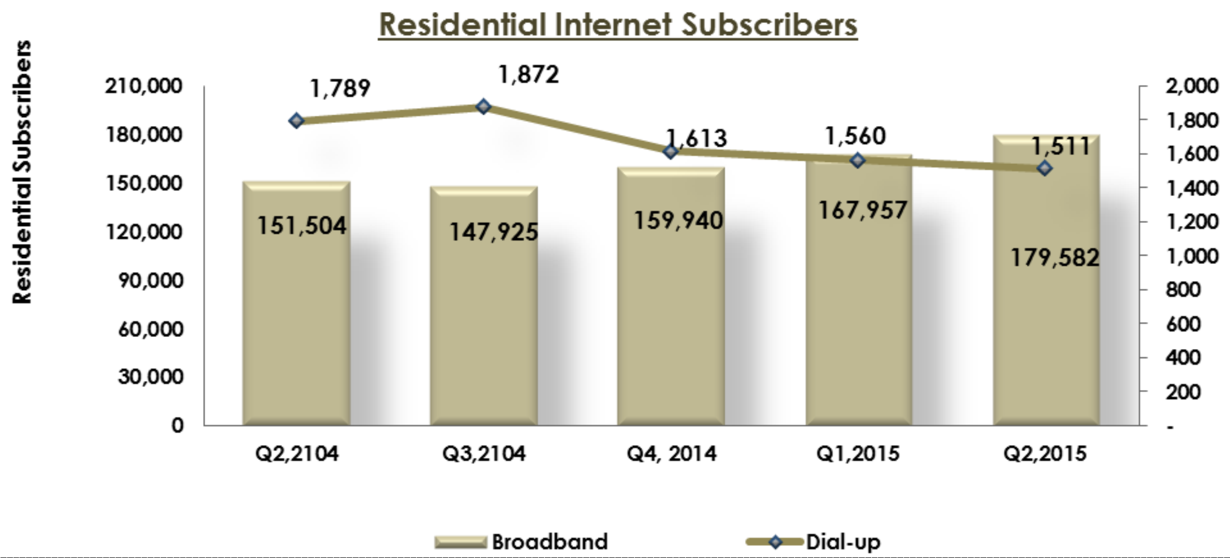


➢ Total active mobile broadband subscribers rose slightly by 5.1% to 3,083,375 from 2,932,342. The penetration rate showed a 5.1% increased during the second quarter 2015 standing at 74.21% per inhabitant.



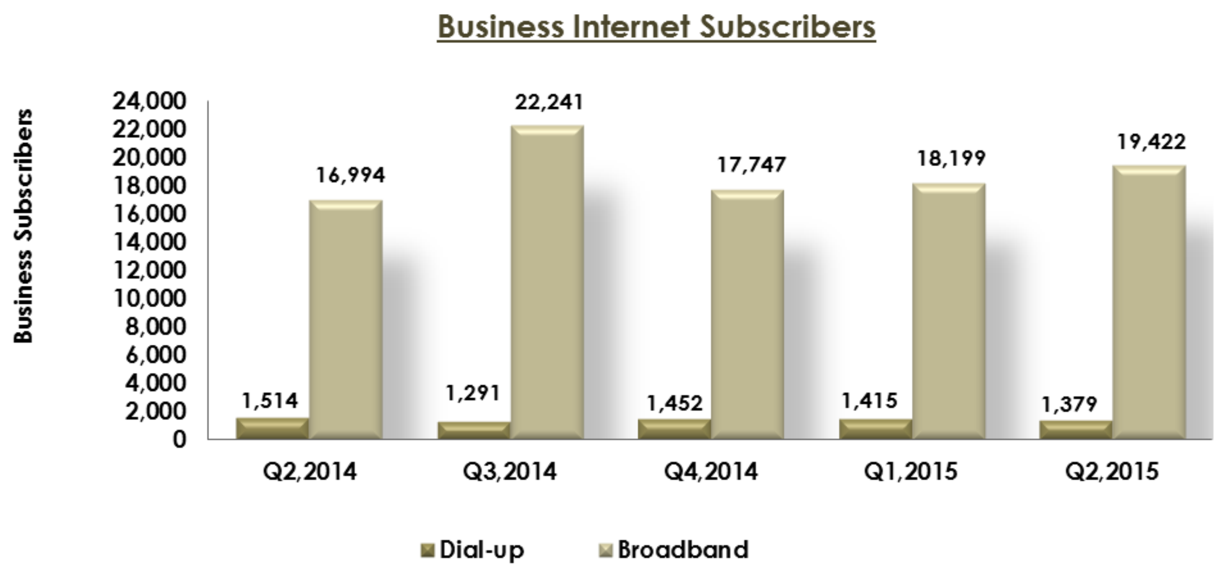
- 0.4% of fixed Broadband subscribers during Q2, 2015 had access speed of 215 Kbps to less than 1 Mbps.
- 2.4% of fixed Broadband subscribers during Q2, 2015 had access speed of 1Mbps to less than 2 Mbps.
- 94% of fixed Broadband subscribers during Q2, 2015 had access speed of 2 Mbps to less than 10 Mbps.
- 3.1% of fixed broadband subscribers have access of 10 Mbps and to less than 100 Mbps.

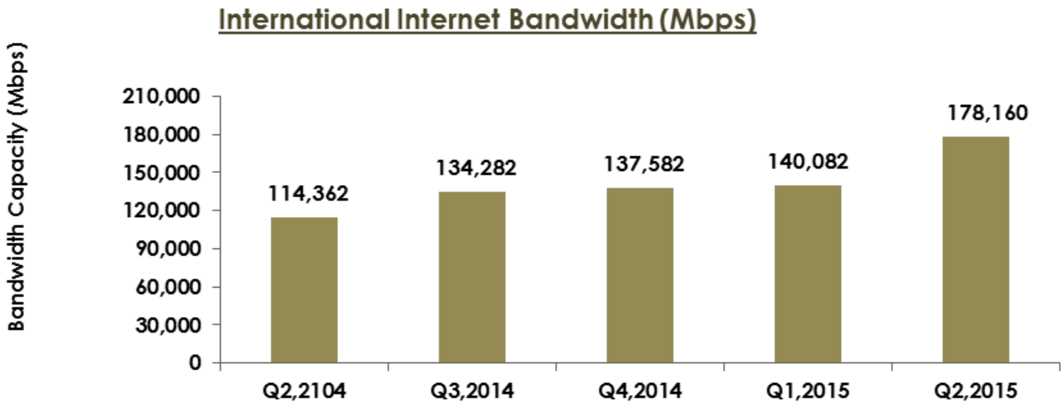




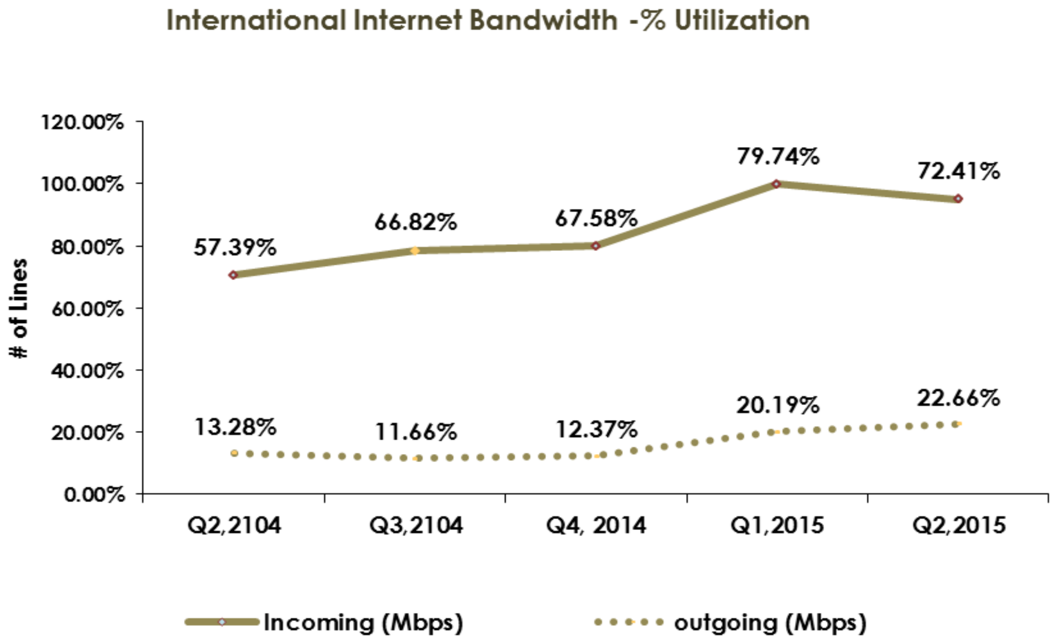
- The residential broadband subscribers in the above chart registered a growth of6.9% during the second quarter 2015, on the other hand the residential dial up subscribers dropped by 3.1% over the first quarter 2015.

- The below chart presents an increase of 6.7% in the business broadband segment, while 2.5% drop in the dial up internet subscribers.



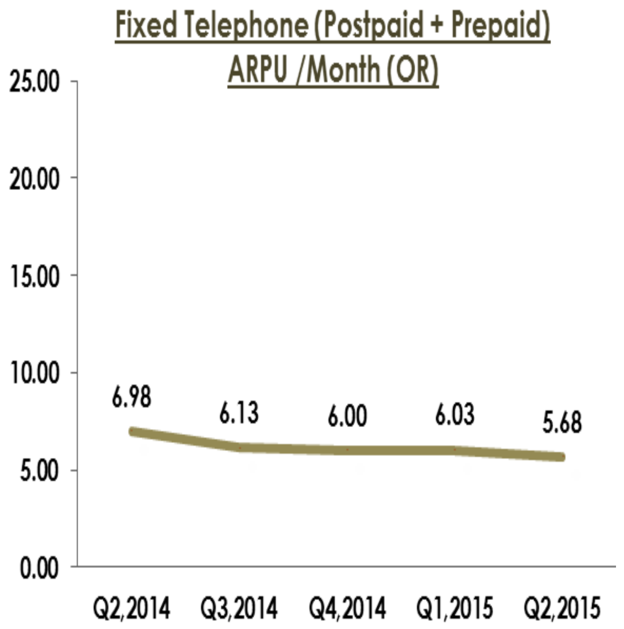


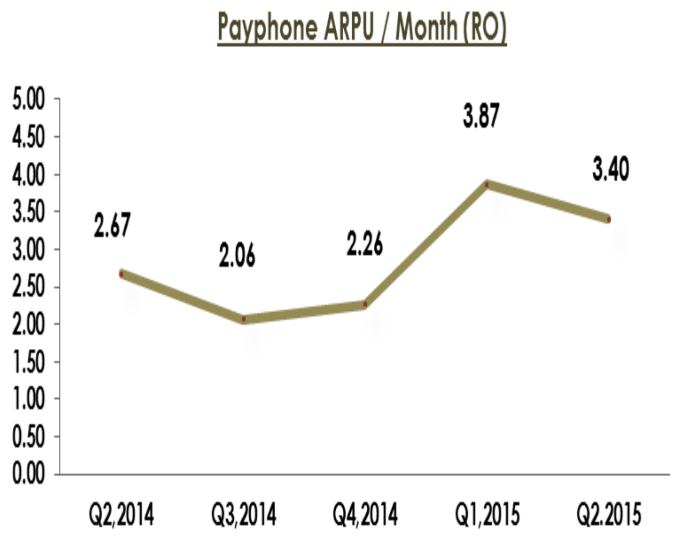
- The second quarter 2015 has 178,160 Mbps capacity for international internet bandwidth with 27.2% increment over the previous quarter when it was 140,082 Mbps.

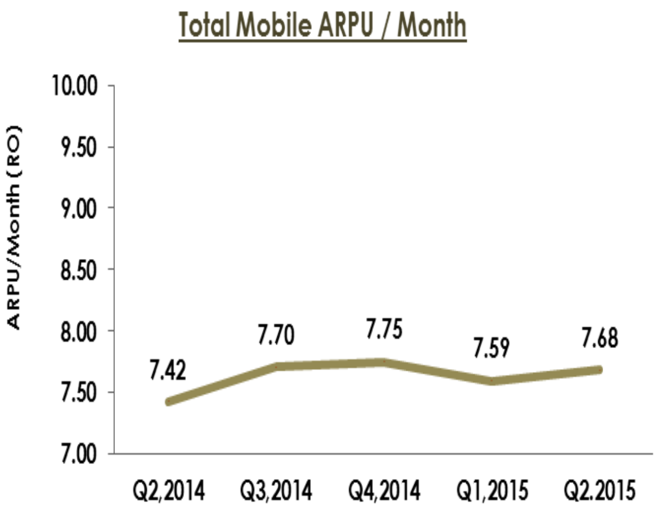


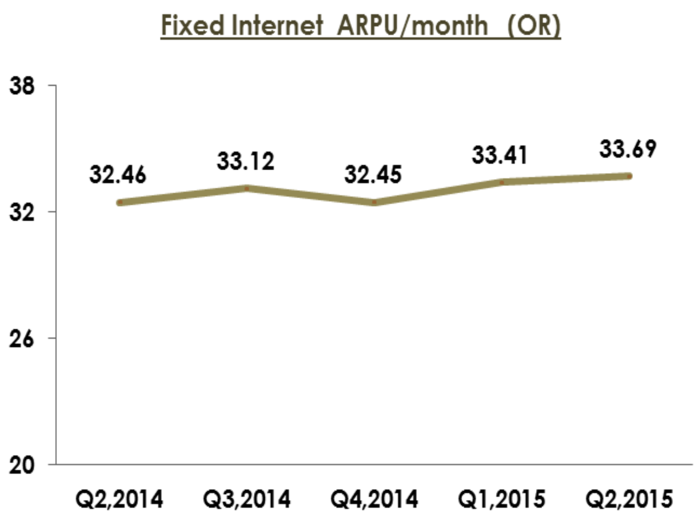
- Out of 178,160 Mbps capacity, on average 22.66% was utilized for the outgoing and 72.41% for the incoming traffic.

ARPUs









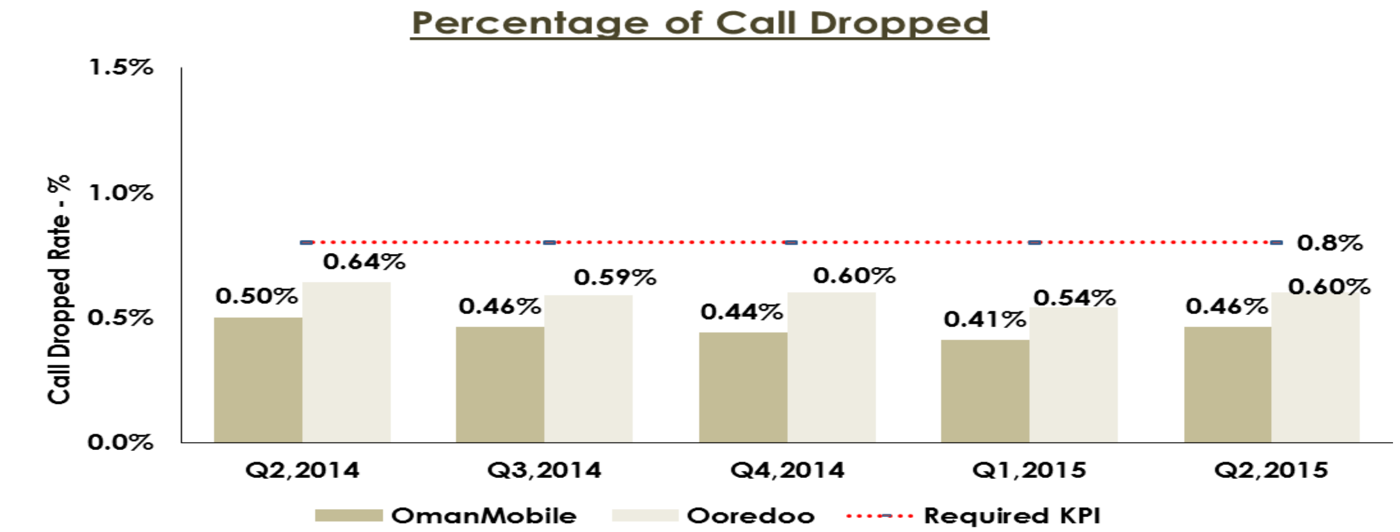
Note: (Calculation of the ARPUs is to divide the total revenue of a service on number of subscribers of that service divide by 3).

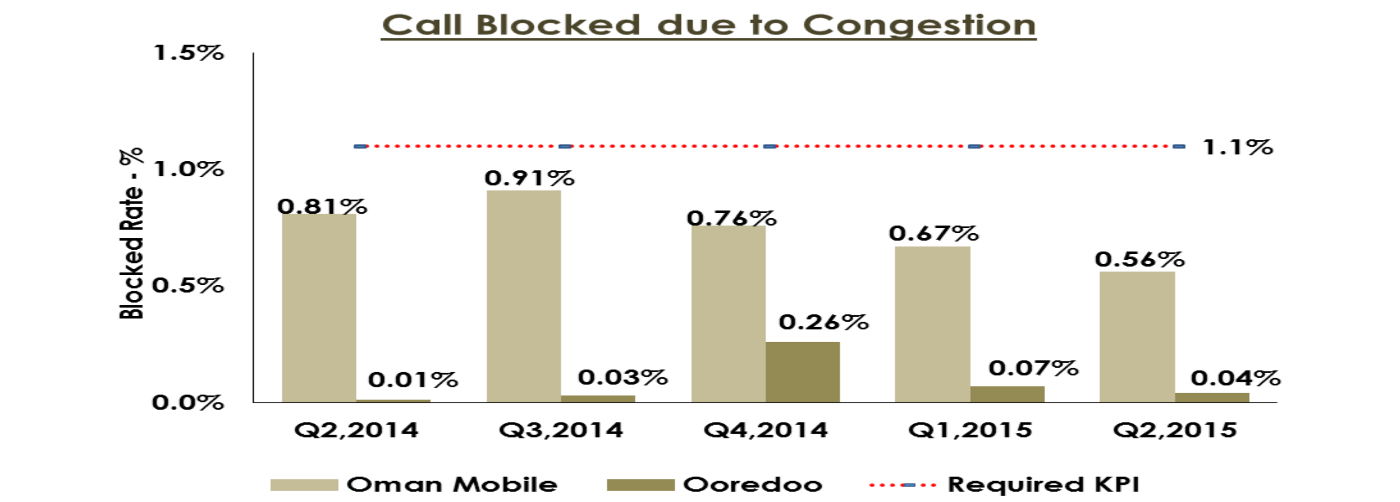
Quality of Service

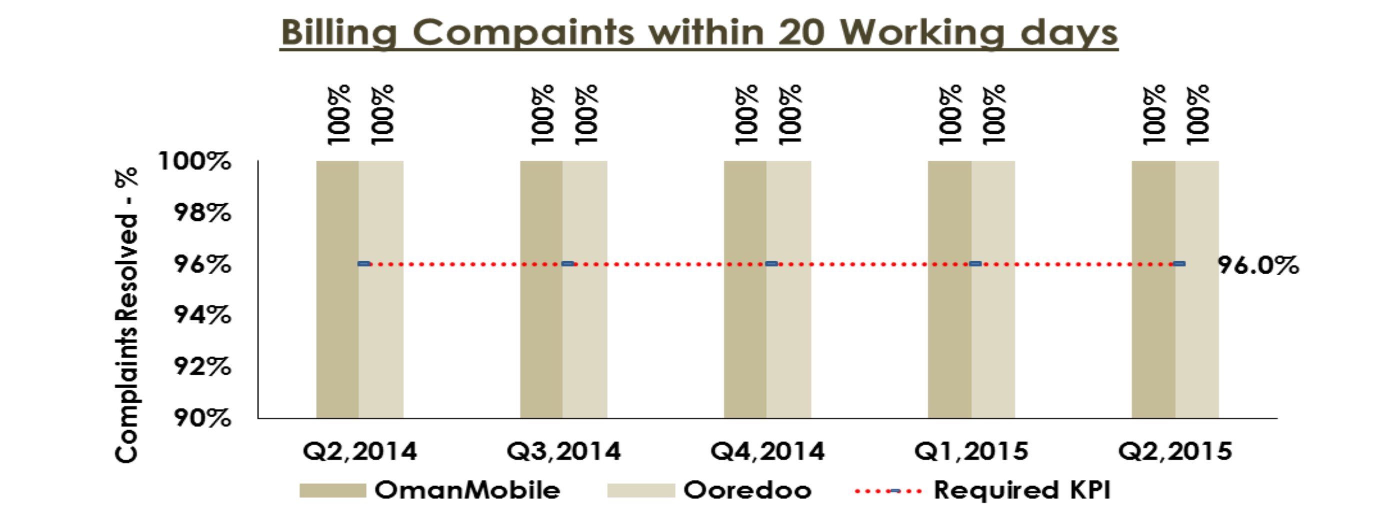
Mobile Services KPIs*

Mobile Services KPIs	Required KPI (Quarterly)	Q2/2015		Q1/2015	
		Oman Mobile %	Ooredoo %	Oman Mobile %	Ooredoo %
1. Percentage of Calls Dropped	Less than 0.8%	0.46	0.6	0.41	0.54
2. Percentage of Calls Blocked due to Congestion	Less than 1.1%	0.56	0.04	0.67	0.07
3. Percentage of billing complaints resolved within 20 working days	More than 96%	100	100	99.99	99.72

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


Percentage of Call Dropped
1.5%
1.0%
0.5%
0.0%
Call Dropped Rate - %
0.8%
0.50%
0.64%
0.46%
0.59%
0.44%
0.60%
0.41%
0.54%
0.46%
0.60%
Q2,2014
Q3,2014
Q4,2014
Q1,2015
Q2,2015
OmanMobile
Ooredoo
Required KPI

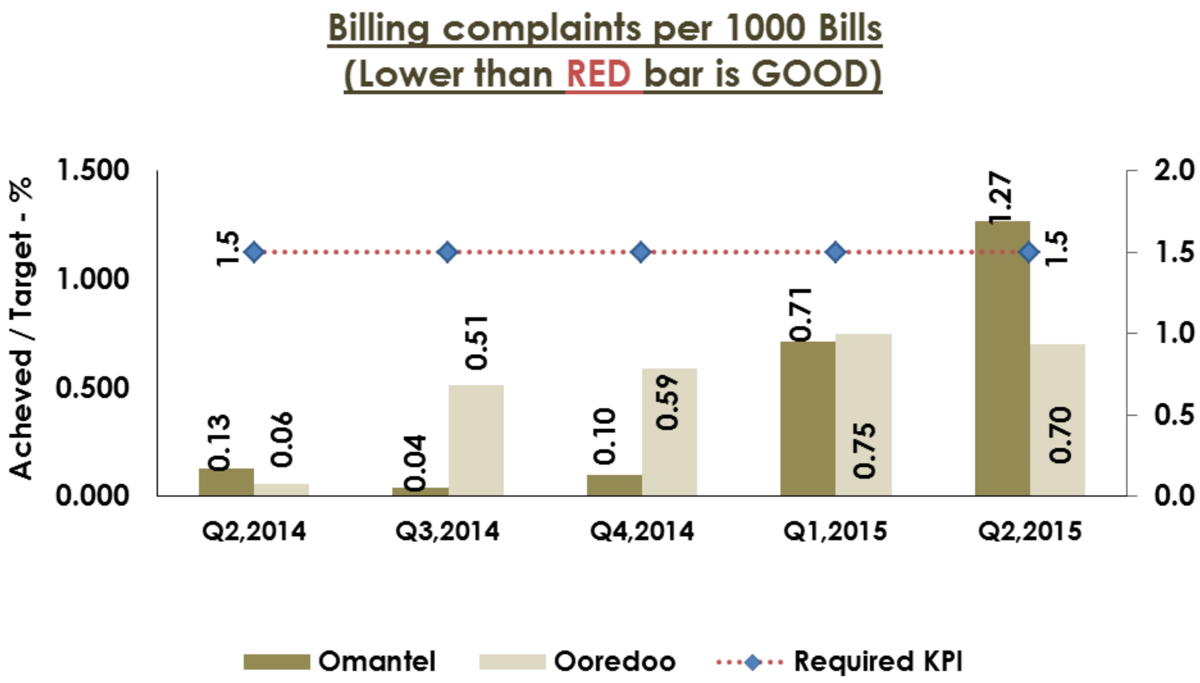

Call Blocked due to Congestion
1.5%
1.0%
0.5%
0.0%
Blocked Rate - %
1.1%
0.81%
0.01%
0.91%
0.03%
0.76%
0.26%
0.67%
0.07%
0.56%
0.04%
Q2,2014
Q3,2014
Q4,2014
Q1,2015
Q2,2015
Oman Mobile
Ooredoo
Required KPI


Billing Compaints within 20 Working days
100%
98%
96%
94%
92%
90%
Complaints Resolved - %
100%
100%
100%
100%
100%
100%
100%
100%
100%
100%
96.0%
Q2,2014
Q3,2014
Q4,2014
Q1,2015
Q2,2015
OmanMobile
Ooredoo
Required KPI

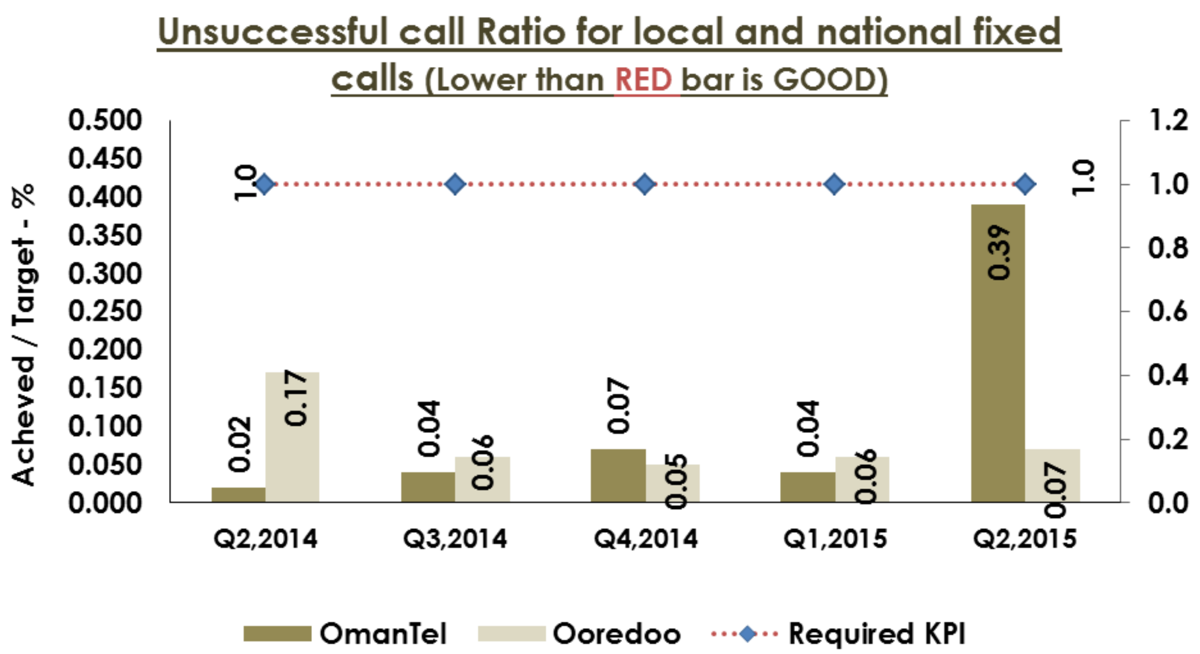
Fixed Services KPIs*

Fixed Services KPIs	Required KPI (Quarterly)	Q2/2015		Q1/2015	
		Omantel	Ooredoo	Omantel	Ooredoo
1. Faults per 100 lines per quarter	Less than 3	2.22	3	2.15	3.00
2. % of faults to be cleared within 24 hours	More than 90%	94.23	98.38	95.69	90.00
3. Unsuccessful call Ratio for local and national fixed calls	Less than 1%	0.39	0.07	0.04	0.06
4. Percentage of Orders for access lines in the served areas completed within 10 days	More than 90%	97.36	99.84	98.52	99.69
5. Billing complaints per 1000 Bills	Less than 1.5	1.27	0.70	0.71	0.75
6. Percentage of billing complaints resolved within 20 working day	More than 96%	100	100	100	100

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

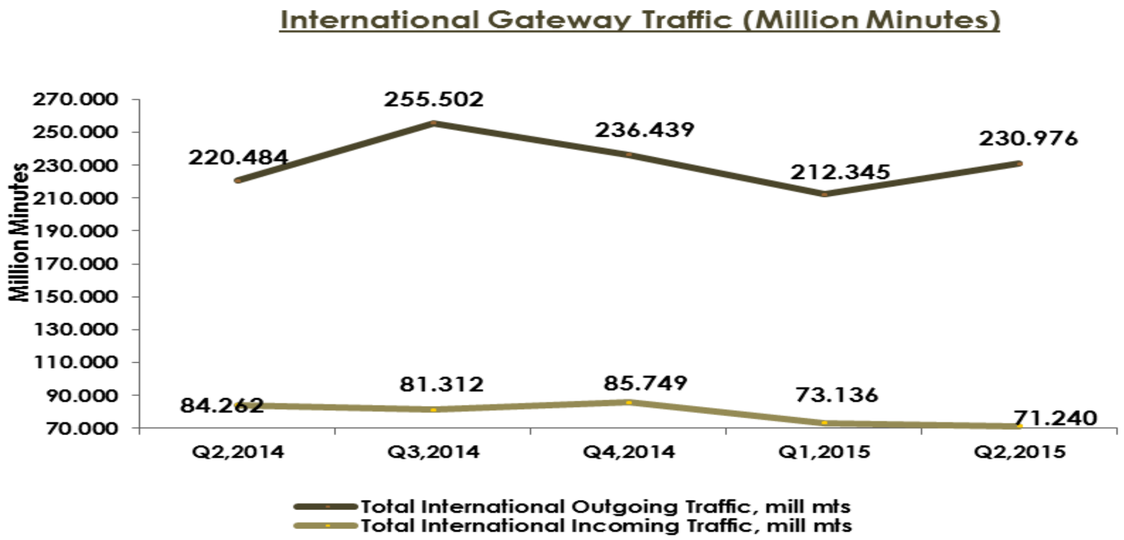


Billing complaints per 1000 Bills
(Lower than RED bar is GOOD)
Acheved / Target - %
1.500
1.000
0.500
0.000
2.0
1.5
1.0
0.5
0.0
1.5
0.13
0.06
0.04
0.51
0.10
0.59
0.71
0.75
1.27
1.5
0.70
Q2,2014
Q3,2014
Q4,2014
Q1,2015
Q2,2015
Omantel
Ooredoo
Required KPI

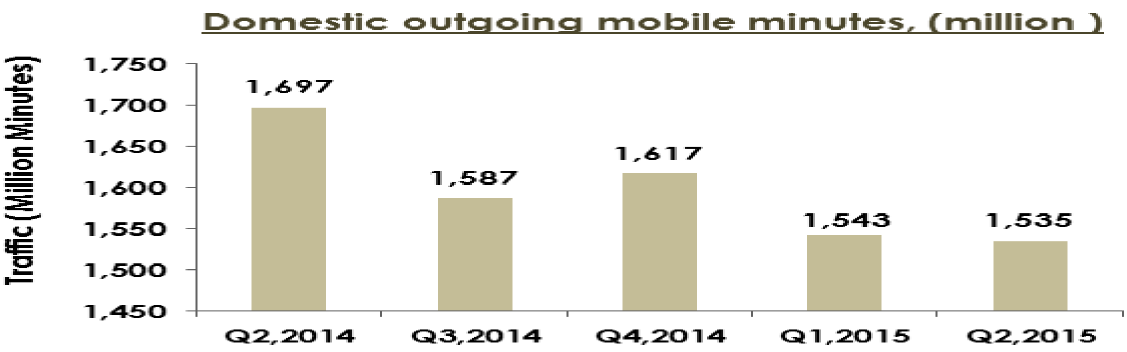


Unsuccessful call Ratio for local and national fixed
calls (Lower than RED bar is GOOD)
Acheved / Target - %
0.500
0.450
0.400
0.350
0.300
0.250
0.200
0.150
0.100
0.050
0.000
1.2
1.0
0.8
0.6
0.4
0.2
0.0
1.0
0.02
0.17
0.04
0.06
0.07
0.05
0.04
0.06
0.39
0.07
1.0
Q2,2014
Q3,2014
Q4,2014
Q1,2015
Q2,2015
OmanTel
Ooredoo
Required KPI

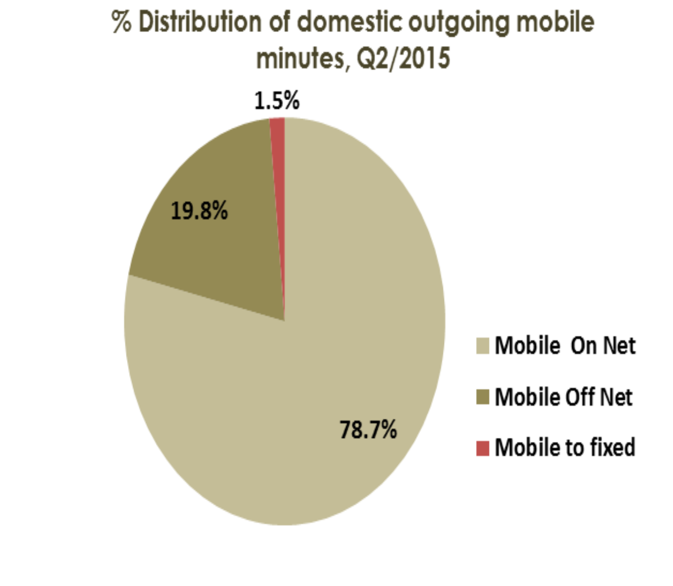
Traffic

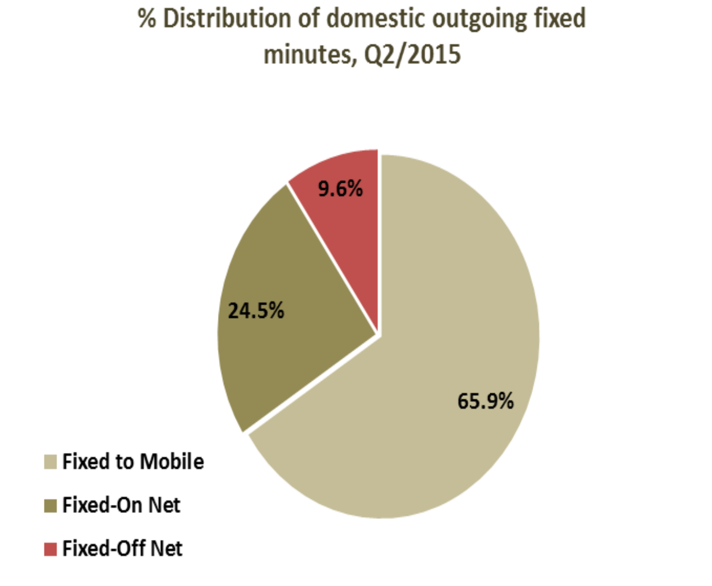


- The second quarter 2015 experienced positive trend in the international outgoing traffic. The international outgoing traffic increased by 8.8%, while the incoming traffic declined by 2.6% during second quarter.



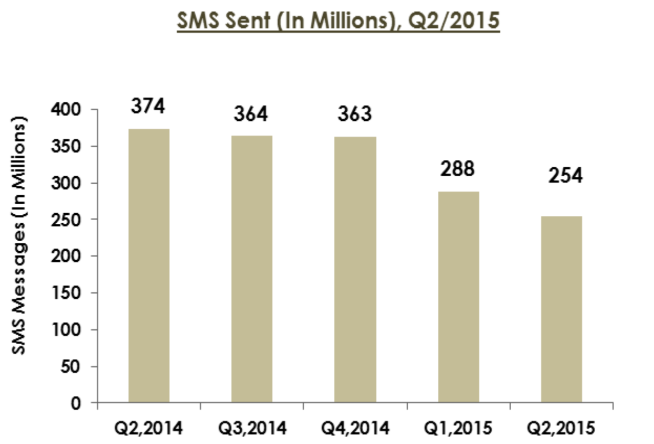
- The domestic outgoing mobile minutes experienced fluctuated trend during the last year. The second quarter 2015, it recorded -0.5% against the 1st quarter 2015.

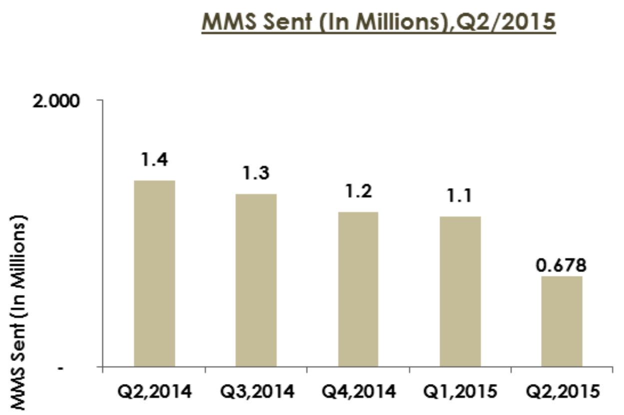




- By the end of the second quarter 2015, mobile to mobile (On net) traffic has the major share of the 78.7% out of the total domestic outgoing traffic. While the Off net mobile domestic traffic has 19.8%, and 1.5% was made by the mobile to fixed.

- During the second quarter 2015, the domestic outgoing fixed traffic achieved 65.9% share for fixed to mobile, 24.5% for fixed to fixed (On-net), and 9.6% for fixed to fixed (Off-net) traffic.





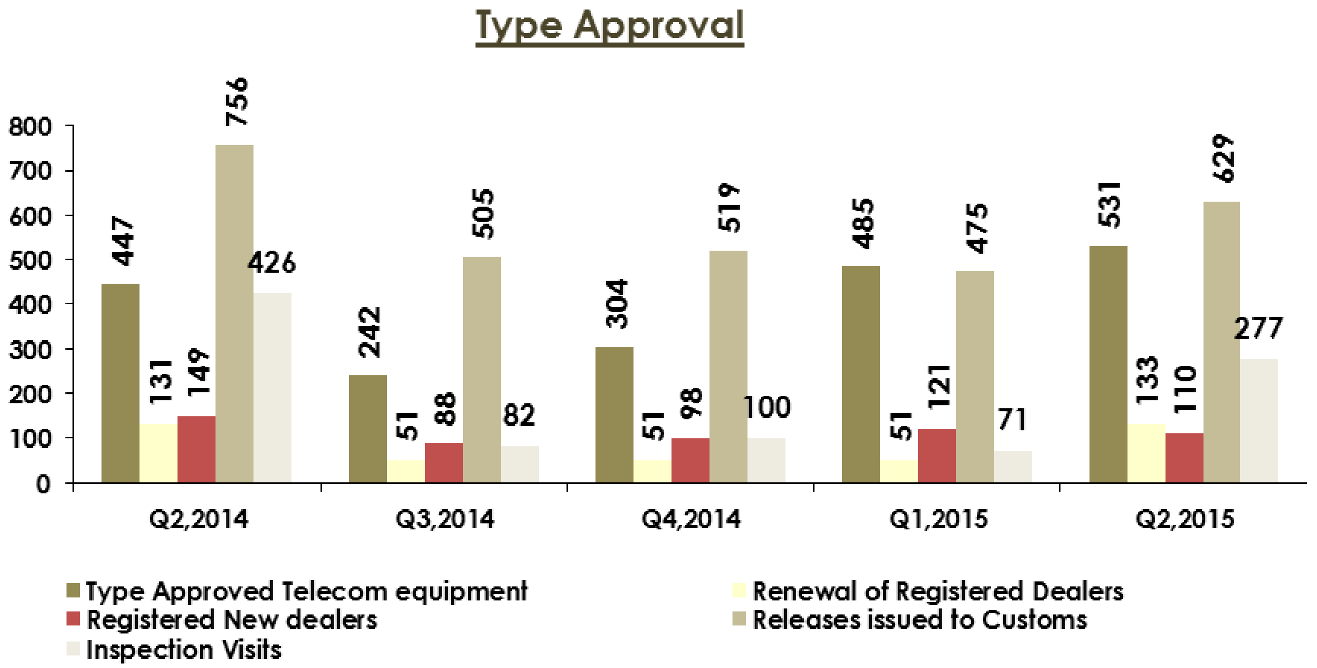
- Continuously for one year, the number of sent SMS has shrink reaching 254 million messages by end of the second quarter 2015 from 288 million messages in the first quarter, 2015.

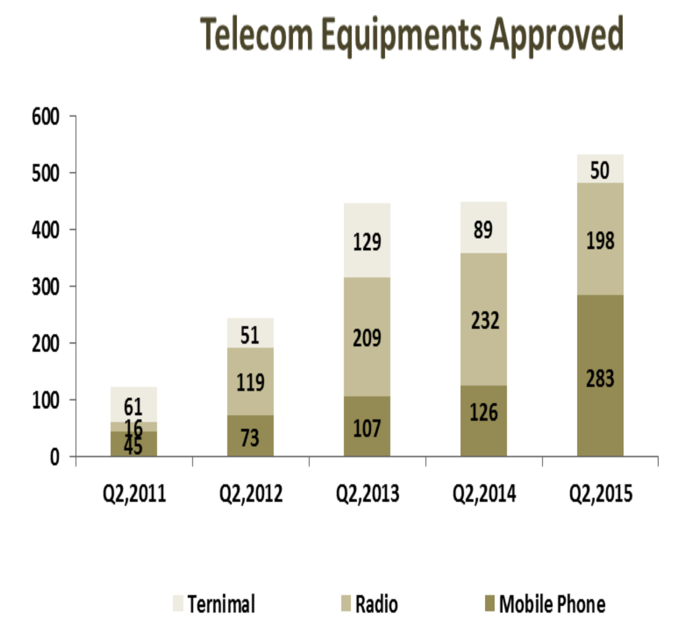
- The number of outgoing MMS has been gradually decreasing since the last year achieving 0.678 million messages by end of the second quarter 2015.

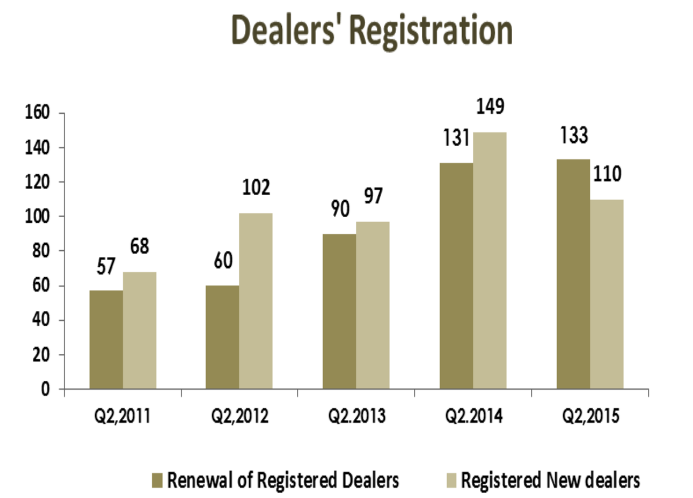
Type Approval

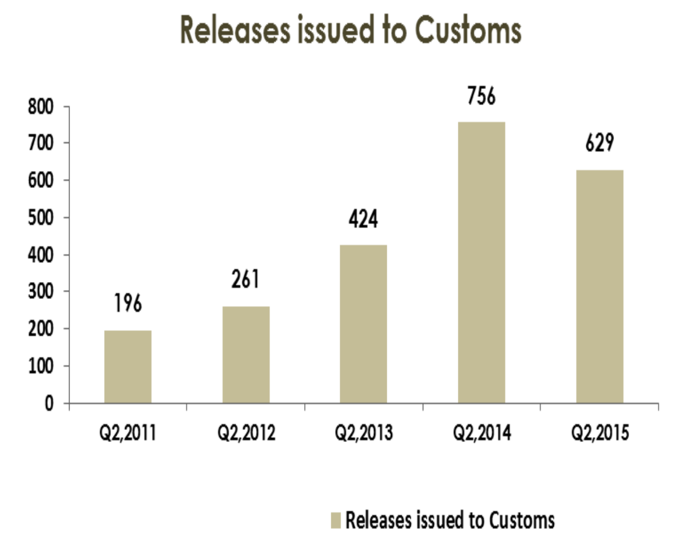
During the secodt Quarter 2015 , TRA :

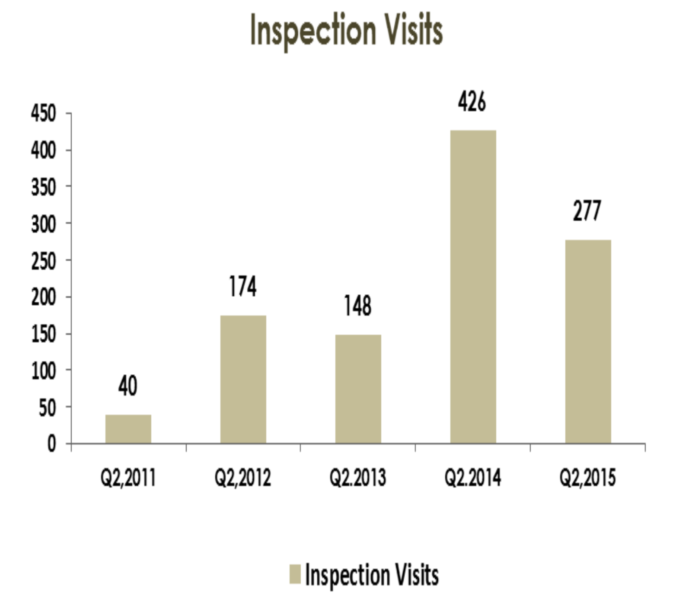
- Approved a total number of 531 (Previous Quarter 485) Telecom Equipment.
- Renewed 133 (Previous Quarter: 51) registrations of Telecom Dealers.
- Registered 110 (Previous Quarter: 121) new dealers.
- Issued 629 (Previous Quarter: 475) Releases to Customs for Import of Telecom equipment.
- Inspected 277 (Previous month 71) dealerships.




Telecom Equipments Approved
600
500
400
300
200
100
0
61
16
45
51
119
73
129
209
107
89
232
126
50
198
283
Q2,2011
Q2,2012
Q2,2013
Q2,2014
Q2,2015
Ternimal
Radio
Mobile Phone


Dealers' Registration
160
140
120
100
80
60
40
20
0
57
68
60
102
90
97
131
149
133
110
Q2,2011
Q2,2012
Q2.2013
Q2.2014
Q2,2015
Renewal of Registered Dealers
Registered New dealers


Releases issued to Customs
800
700
600
500
400
300
200
100
0
196
261
424
756
629
Q2,2011
Q2,2012
Q2,2013
Q2,2014
Q2,2015
Releases issued to Customs


Inspection Visits
450
400
350
300
250
200
150
100
50
0
40
174
148
426
277
Q2,2011
Q2,2012
Q2.2013
Q2.2014
Q2,2015
Inspection Visits

Tariffs & Promotions

Number of Promotions approved Q2 2015														
Licensee	Voice	Bundles	International Calls	MBB	HBB	International Roaming	Value Added Service	Starter Pack	Top -up	Voice, Data & SMS	Voice & Data	Voice & International calls	Leased Lines	Total
Renna		1	5	1				4						11
Friendi			4	1				2						7
Teo			2											2
Omantel	1	4		5	3		2	2	3	1		2		23
Ooredoo	2	2	1			1			4					10
Total	3	7	12	7	3	1	2	8	7	1	0	2	0	53

Number of new services and Plans approved Q2, 2015													
Licensee	Voice	Bundles	International Calls	MBB	HBB	International Roaming	Value Added Service	Starter Pack	Top-Up	Voice & Data	Voice & International calls	Leased Lines	Total
Renna													
Friendi													
Teo													
Omantel							2						2
Ooredoo					1		2						3
Total					1		4						5

Summary of Promotion’s Statistics for Q2/2015:

- The number of promotions comparing with the same quarter last year increased from 33 to 53.
- 64% of promotions were for prepaid customers, only 9% of promotions approved were exclusive for postpaid customers, while the remaining was for mixed.
- 85% of promotions focused on Mobile segment.
- International calls promotions account for 26% of the total promotions approved, compared with 19% last Quarter. Deregulation of International Clearing House (ICH) in Pakistan in terms of carrier cost has incentivized the Omani service providers to review their promotional offers accordingly.
- Promotions of licensees` plans, Starter Packs and Top-up accounts for 42% of total.

Summary of the Tariff Activities in Q2/2015:

- 2 new services were launched this quarter by Omantel.
- 3 enhancements made by Ooredoo to their residential and Business Nojoom Loyalty and to Ooredoo Internet Professional OIP plans.