سلطنة عُمان
Sultanate of Oman

هيئة تنظيم الاتصالات
Telecommunications Regulatory Authority

Quarterly Report on Telecom Sector Indicators

Q3, 2018

Competition and Tariffs Unit

Table of Content

➢ Introduction

The TRA is pleased to present Q3 2018 Report on the Indicators of Telecom Sector of Oman. We have been compiling and publishing this Report on quarterly basis to provide brief market intelligence on Telecom Sector to all interested parties including investors, consumers, and the licensees. The quarterly report provides a brief update on the status of major telecom services in the Sultanate of Oman. The quarterly reports cover voice and data services for both fixed and mobile segments.

The quarterly reports are compiled with the help of data collected from the telecom service providers operating in Oman. The TRA would like to acknowledge and appreciate the service providers' cooperation and support for providing data to TRA to prepare and present this report and disseminating the information contained in it. We hope the publication timing and quality of information of the quarterly reports will improve in future with the cooperation of service providers. We would like to urge the service providers to improve their data management in order to ensure accuracy and timeliness of information for the benefit of all users.

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

TRA also publishes this report on its website **(www.tra.gov.om).**

➢ Disclaimer

The TRA tries its best to ensure accuracy of the information provided in this report. However, the users of any information contained in this report are advised to perform their own due-diligence to assess accuracy and relevance of the information and use it at their own risk and responsibility. Since the data is provided by the service providers, the TRA shall not assume any responsibility for any loss, damage, and cost or expense whether direct, indirect, or consequential, suffered by any person using or relying on this information whether caused by reason of any inaccuracy, error, omission or misinterpretation.

Major Market Observations Q3, 2018

The penetration rates are calculated based on the latest population and household statistics published by NCSI.

- The population statistics used for this report are as of the mid - year 2017: (i.e, 4,559,963).

- The number of estiatmed households used for analysis were taken as of year 2017: (i.e, 584,762).

The penetration of different services stood at the following levels at end of the Q3/2018:

- Fixed line: 11.9%% of inhabitants
- Mobile subscriptions: 145.7% of inhabitants
- Fixed internet: 68.96% of households.

The Active Mobile Broadband Subscriptions reached to 92.6%of inhabitants by Q3/2018 with the total active subscriptions of 4,211,422.

During Q3/2018, the TRA received and approved:

- 14 new and revised Tariff Plans.
- 33 promotional tariff offers.

The TRA type approved 742 telecom equipments, and issued 42 authorizations for importing equipments. In addition, TRA Issued 850 releases to customs for importing telecom equipments during Q3/2018.

The TRA carried out 76 inspections of dealers to check compliance of TRA regulations.

Summary of Main Telecommunications Indicators

Q3, 2018

Indicator	Fixed Telephony Service *(other than Fixed Internet)*	Fixed Internet Service	Mobile Service
Subscriptions	543,183	389,434	6,641,975
Penetration rate/Household[1]	11.9%	66.60%	145.7%
Revenue (Mn.RO)	36.495	35.772	139.909
International Outgoing Voice Minutes (Mn),	5.401	-	159.507
ARPU[2] (R.O)	3.5	29.57	7.02
Service Providers	Omantel, Ooredoo, TeO, Connect Arabia International	Omantel, Ooredoo, Awasr	Oman Mobile, Ooredoo, Friendi, Renna

[1]Note: The above penetration rates are based on the NCSI's latest published statistics – population as of the (mid - year 2017: (4,559,963), Household estimation as at end of 2017: (584,762).

[2] ARPU (the average revenue per user/subscription per month). The Fixed ARPU is based on revenue for the fixed telephone lines.

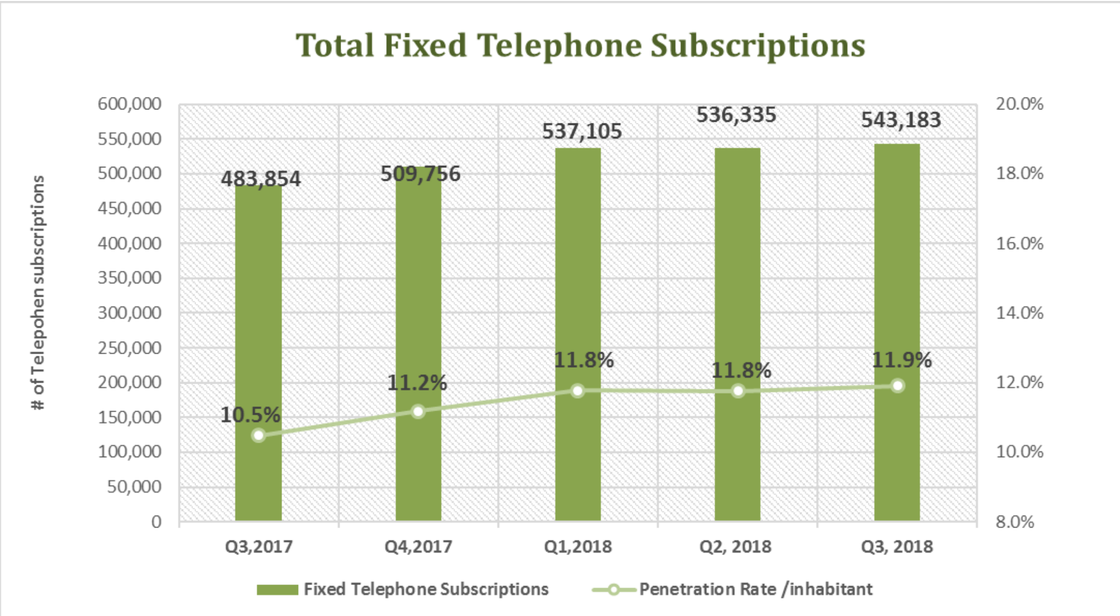
Fixed Telephone Service

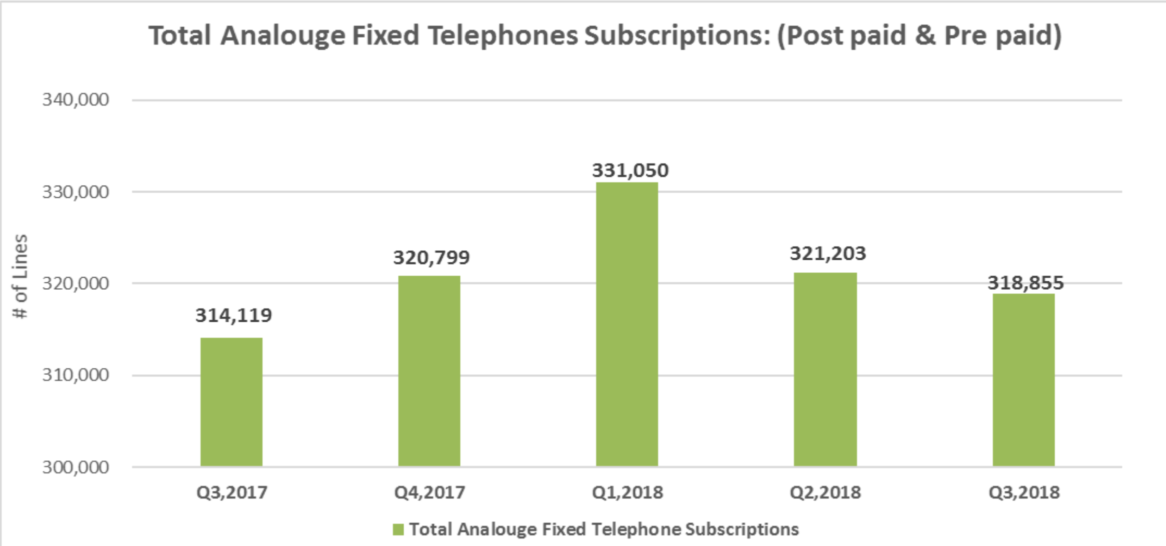
Type of Service	Q3/2018	Q2/2018	% Change
Fixed Telephone Subscriptions:			
1.1Analouge Fixed Telephone Lines:(Postpaid+ Prepaid)	318,855	203,321	-0.73%
1.2 VoIP Subscription	168,623	160,371	5.1%
1.3 WLL Connections	1,601	1,677	-4.5%
1.4 ISDN Channels (Equivalent DELs)*	47,303	46,283	2.2%
1.5 Public Telephone – Payphones	6,801	6,801	0.0%
1.Total Fixed Telephone Lines in Operation (1.1-1.5)	**543,183**	**536,335**	**1.3%**
Fixed Line Penetration per 100 Inhabitant	**11.91%**	**11.8%**	***0.11%***
Fixed Line Penetration Per 100 Household	**92.89%**	**91.72%**	***1.17%***

- **Note: The penetration rates are calculated based on the NCSI latest approved population to be used for the calculations, which is, the mid - year 2017: (4,559,963).**
- **Households: 584,762 (as per the latest NCSI estimation by end of 2017).**
- **ISDN (Integrated services digital network): a network that provides digital connections between user-network interfaces.**

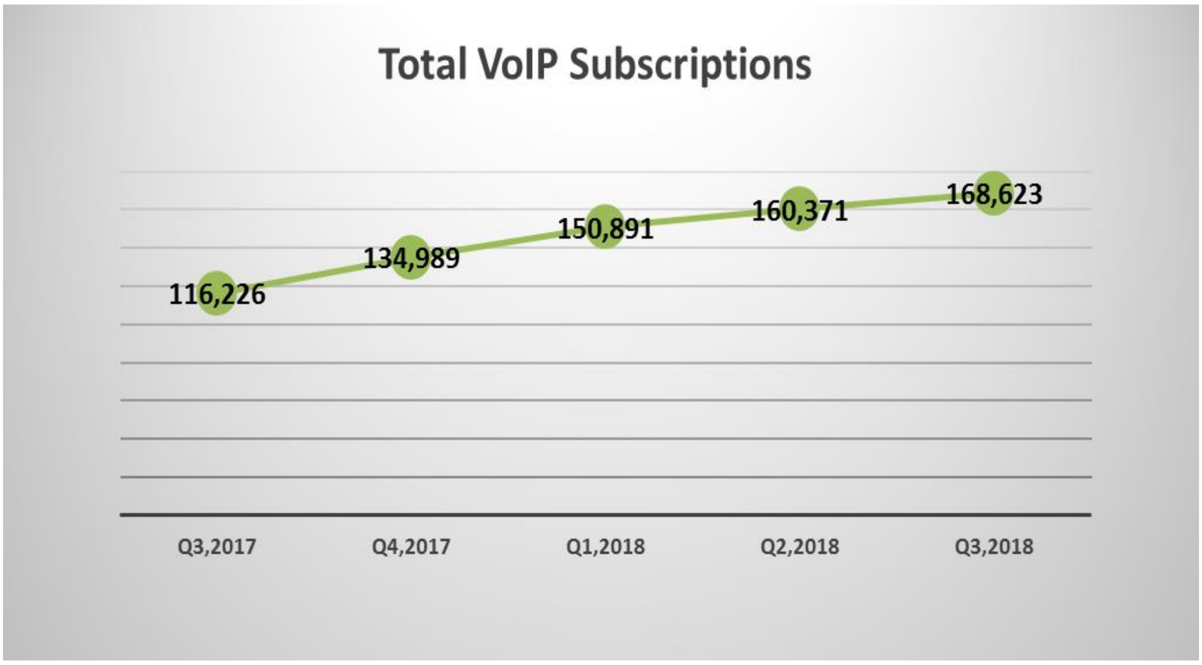
➢ During Q3/2018, the Fixed Telephone subscriptions were reported as 543,183 showing a growth of 1.3% over the previous quarter.

➢ Both penetration rates per inhabitant and per household of the fixed telephone subscriptions increased in the 3rd quarter of 2018.

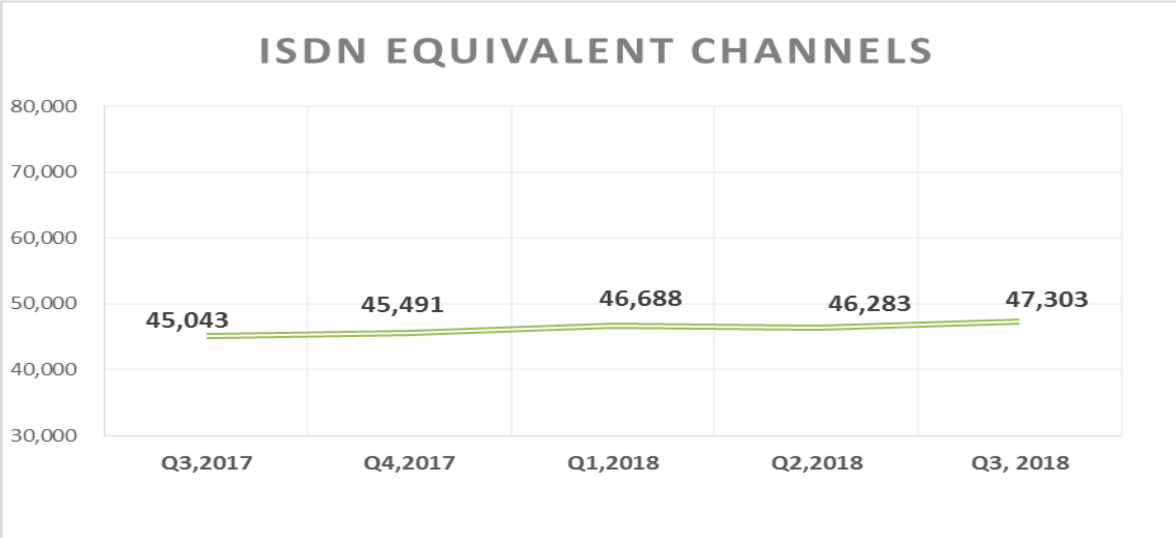




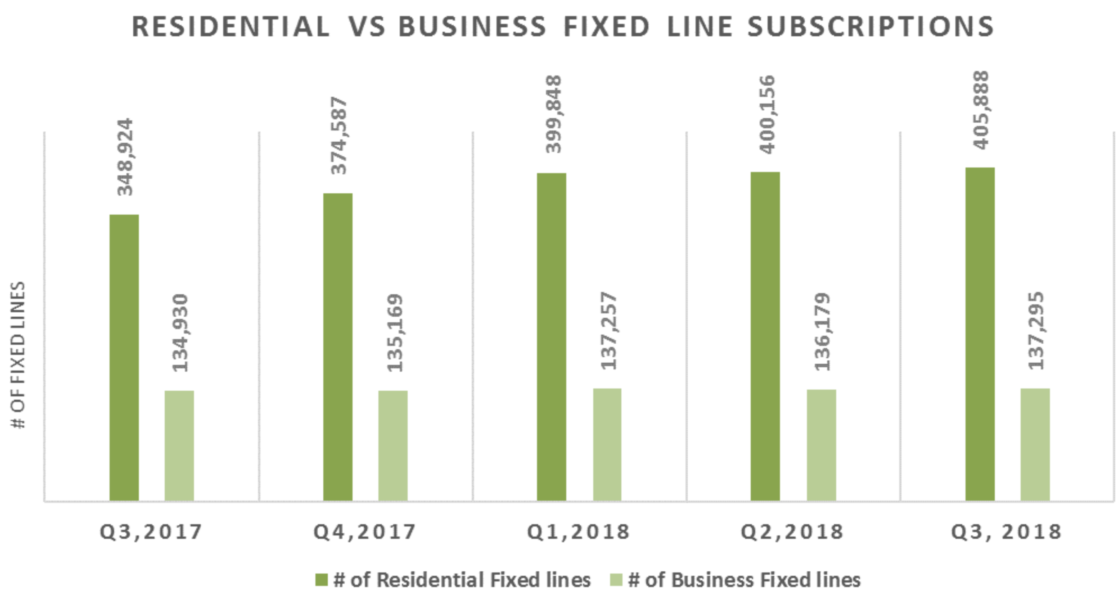
- Total analogue postpaid and prepaid fixed telephone subscriptions decreased slightly by 0.73 % during Q3/2018.



- VoIP subscriptions refers to the number of voice-over-internet protocol (VoIP) fixed line subscriptions that provide fixed telephony using IP technology. Total fixed telephone VoIP subscriptions increased during the third quarter of 2018 by 5.1% reaching 168,623 subscriptions by end of Q3/2018.



- The ISDN (Integrated services digital network) equivalent channels increased by 2.2% reaching 47,303 channels during Q3/2018.



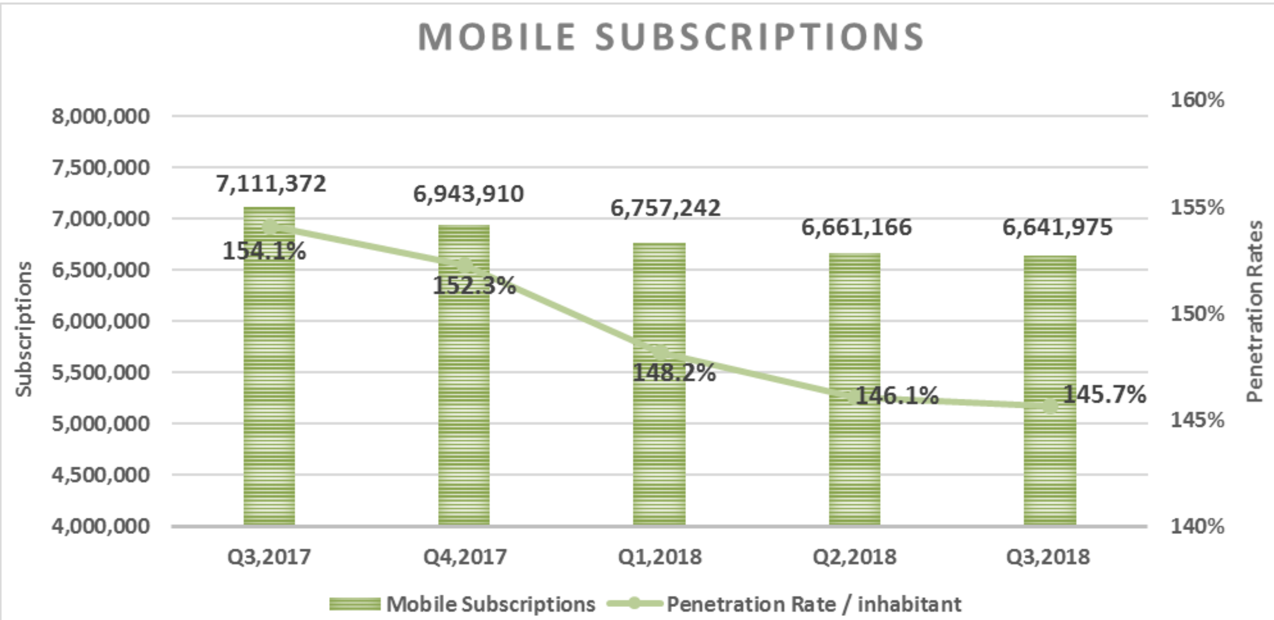
- During Q3/2018, the Business Fixed Line and Residential Fixed Line subscriptions increased by 0.8% & 1.4% respectively compared to the previous quarter.
- The split between Fixed Business and Residential lines stood at 25.3% and 74.7% respectively at the end of Q3/2018.

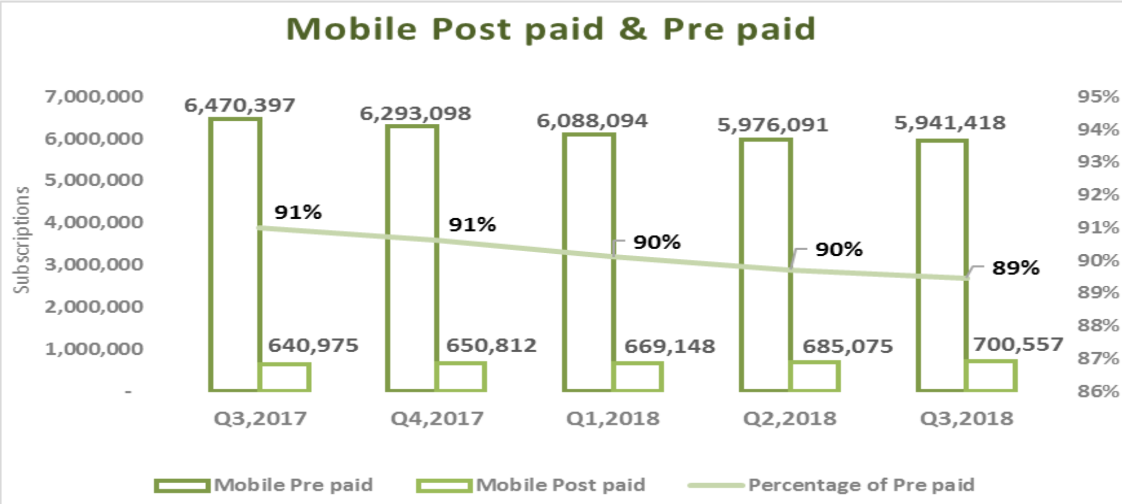
Mobile Service

Mobile Subscriptions	Q3,2018	Q2,2018	% Change
1. Post Paid			
1.1 Operators	700,557	685,075	%2.3
Total Postpaid Subscriptions	**700,557**	**685,075**	**%2.3**
2. Pre paid			
2.1 Operators	4,947,666	4,979,399	-0.6%
2.2 Resellers	993,752	996,692	-0.3%
Total Prepaid Subscriptions	**5,941,418**	**5,976,091**	**-0.6%**
Total Mobile Subscriptions: (1+2)	**6,641,975**	**6,661,166**	**-0.3%**
Mobile Penetration/100 Inhabitant	**145.66%**	**146.08%**	**-0.4%**

- **Note: The penetration rate is calculated based on the NCSI latest approved population to be used for the calculations, which is, the mid - year 2017: (4,559,963).**

➢ The total mobile subscriptions and penetration slightly dropped by 0.3% and 0.4% respectively during the Q3/2018 reaching 6,641,975 subscriptions and 145.66% penetration/ 100 inhabitant.

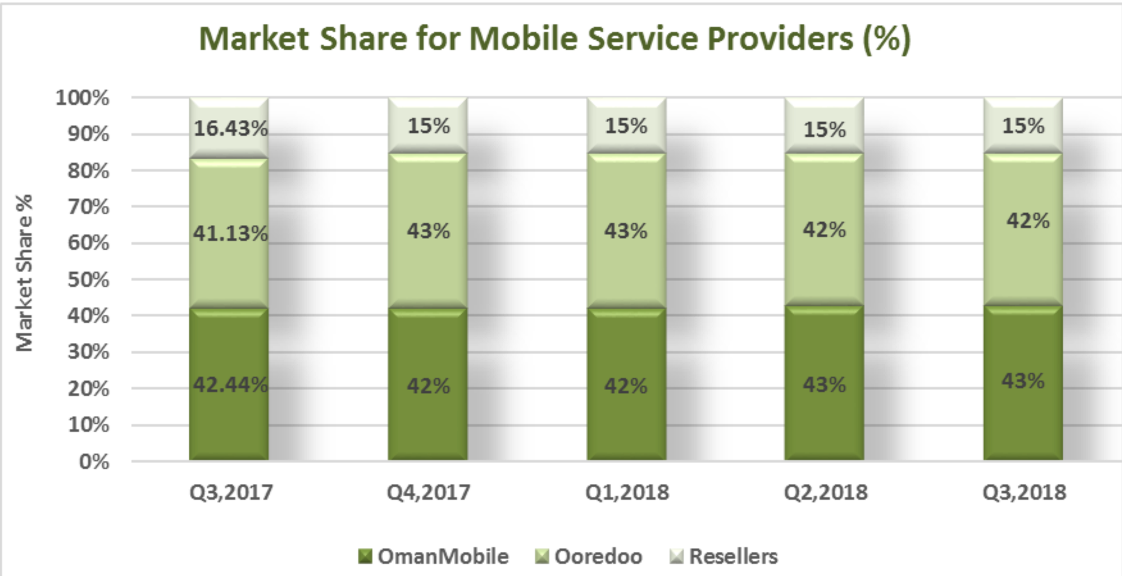




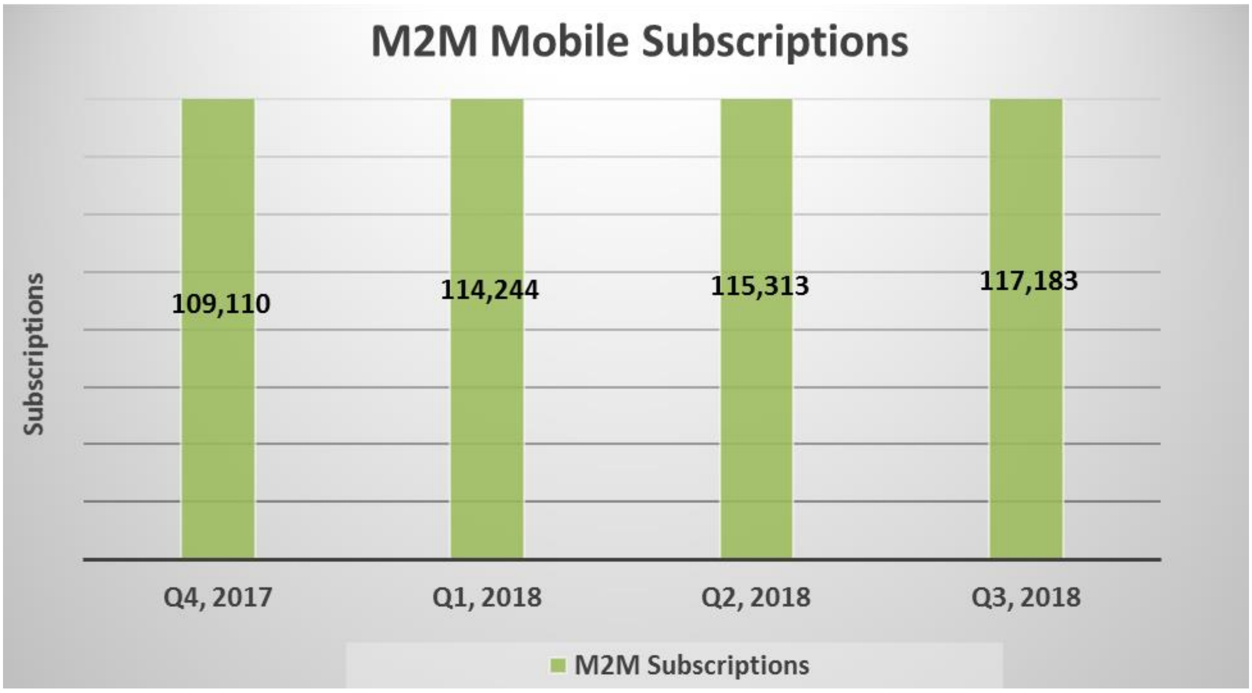
- Post-paid mobile subscriptions reached the level of 700,557 with 2.3% growth over the previous quarter.

- Prepaid mobile subscriptions dropped slightly by 0.6% in Q3/2018 reaching 5,941,418 total subscriptions.

- By end of Q3, 2018, the mobile prepaid subscriptions represent 89% of the total mobile subscriptions.



- For Q3/2018, the market share based on mobile subscriptions for Oman Mobile was 43%, while Ooredoo and Resellers' shares were 42%, 15% respectively.



- Machine to Machine (M2M)[1] Mobile Subscriptions reached 117,183 subscriptions at the end of Q3,2018.

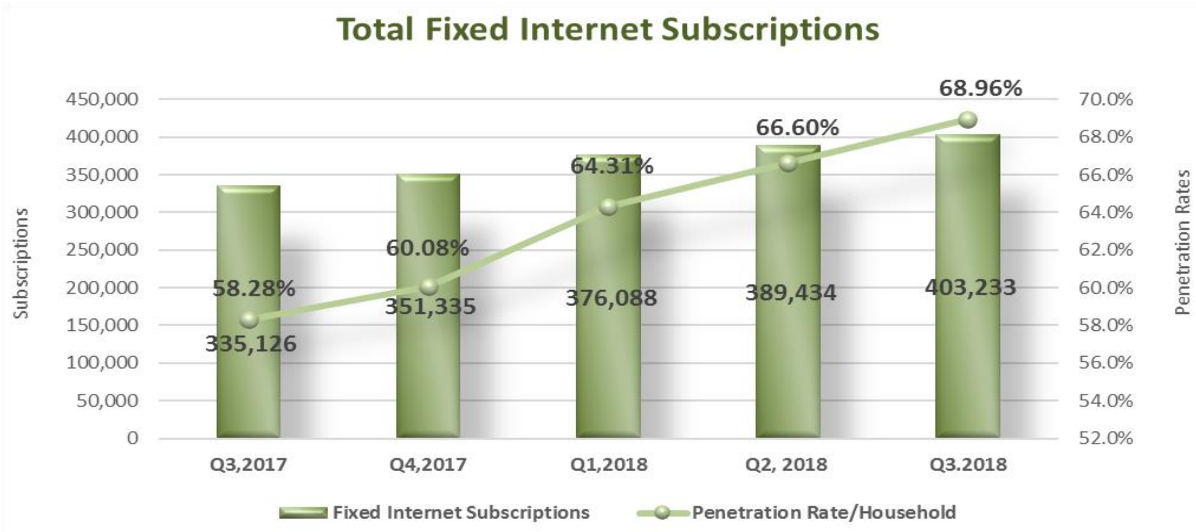
[1] **M2M mobile-network subscriptions**

Refers to the number of mobile-cellular machine to- machine subscriptions that are assigned for use in machines and devices (cars, smart meters, consumer electronics) for the exchange of data between networked devices, and are not part of a consumer subscription. For instance, SIM-cards in personal navigation devices, smart meters, trains and automobiles should be included. Mobile dongles and tablet subscriptions should be excluded.

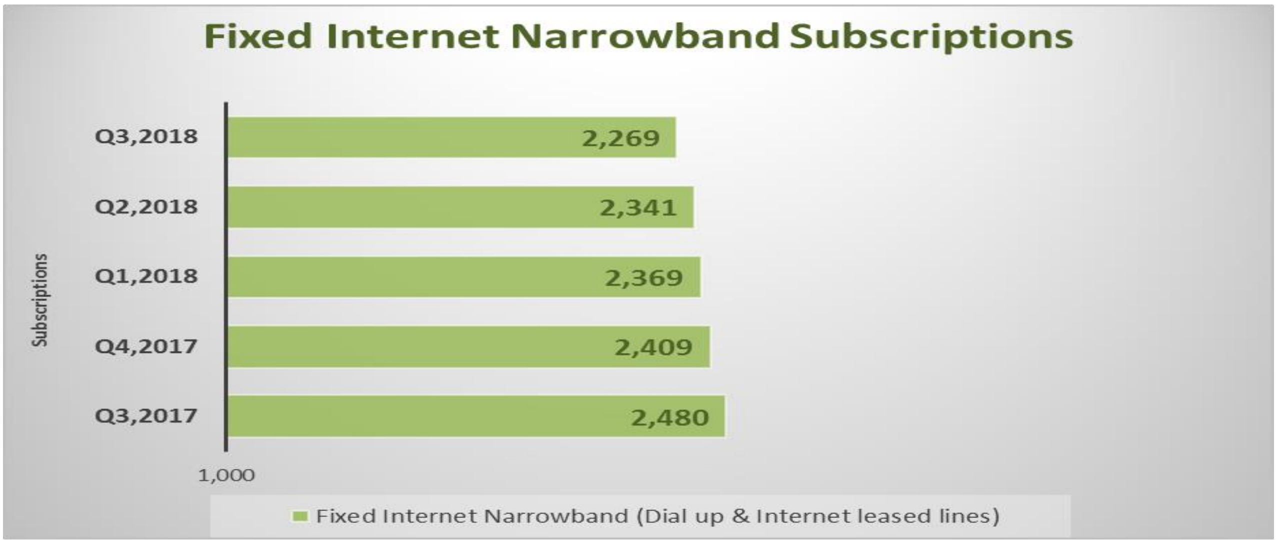
Internet Services

Type of Service	Q3,2018	Q2,2018	% Change
Fixed Narrowband			
1.1Dial-up Fixed Internet Subscriptions	2,243	2,311	-2.9%
1.2 Internet Leased Lines(Narrowband)	26	30	-13.3%
1. Total Fixed Narrowband Subscriptions : (1.1+1.2)	**2,269**	**2,341**	**-3.1%**
Fixed Broadband Subscriptions			
2. Total Fixed Broadband Subscriptions	**400,964**	**387,093**	**3.6%**
Total Fixed Internet Subscriptions (1+2)	**403,233**	**389,434**	**3.5%**
Fixed Internet Penetration /100 Household	**68.96%**	**66.60%**	**2.4%**
Fixed Broadband Subscriptions Penetration/100 Household	**68.57%**	**66.20%**	**2.4%**
Active Mobile Broadband Subscriptions			
3.1 Dedicated mobile-broadband Subscriptions*	703,078	700,862	**0.3%**
3.2 Standard mobile-broadband Subscriptions*	3,518,344	3,510,831	**0.2%**
3. Total Active Mobile Broadband Subscriptions (3.1+3.2)	**4,221,422**	**4,211,693**	**0.2%**
Active Mobile Broadband Penetration Rate /100 Inhabitant	**92.6%**	**92.4%**	**0.2%**

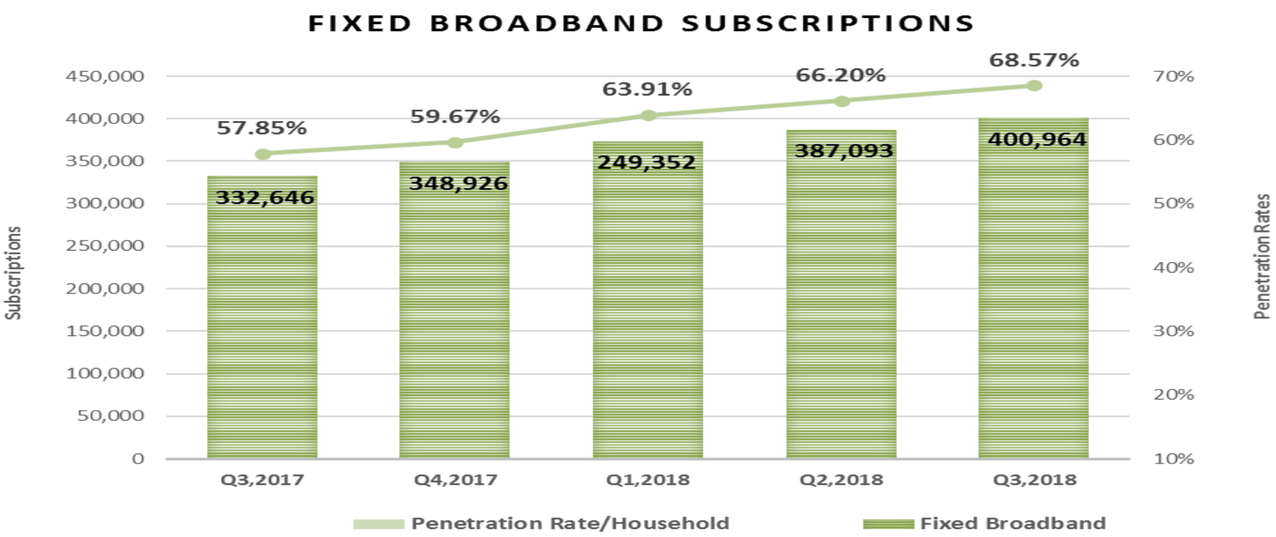
- **Note: The penetration rates are calculated based on the NCSI latest approved population to be used for the calculations, which is, the mid - year 2017: (4,559,963).**
- **Households: 584,762 (as per the latest NCSI estimation by end of 2017).**

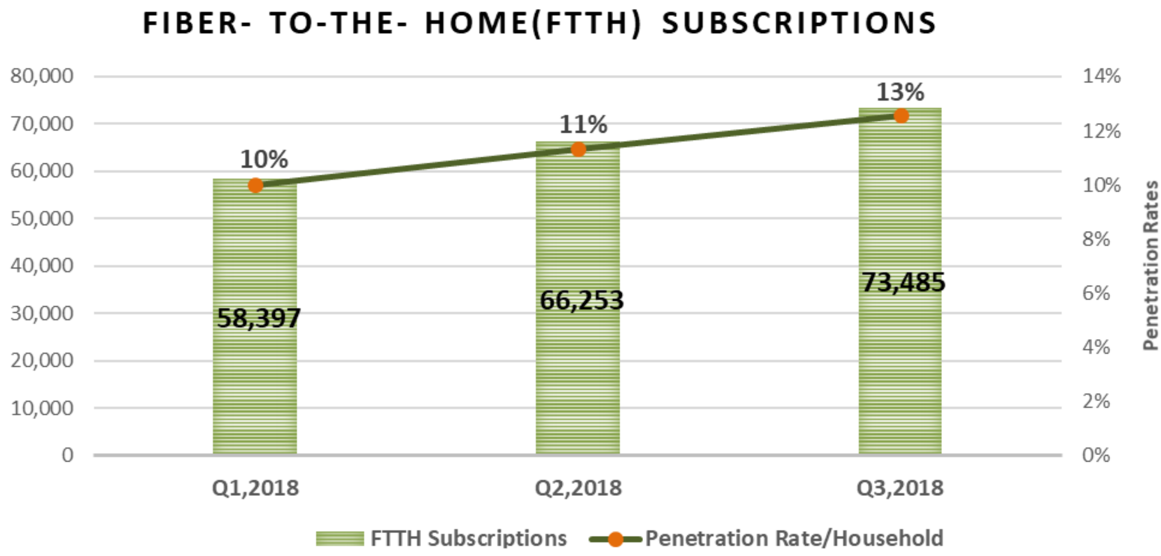


- The total fixed internet subscriptions increased by 3.5% at the end of Q3/2018 reaching 403,233 subscriptions.
- During the reported quarter, fixed internet penetration rate per household reached 68.96%%, which is 2.4% higher than the previous quarter.



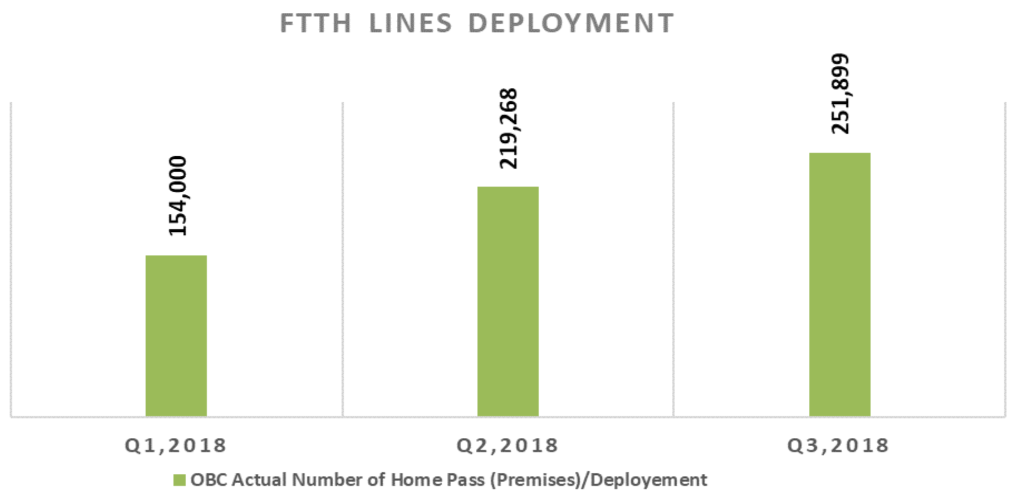
- During Q3/2018, fixed internet narrowband subscriptions decreased by 3.1% to 2,269 subscriptions compared to the results of the previous quarter.
- While the Fixed Broadband subscriptions has experienced 3.6% growth over the same period of the report. Fixed Broadband subscription reached 387,093 subscriptions with penetration rate of 66.20% per household.

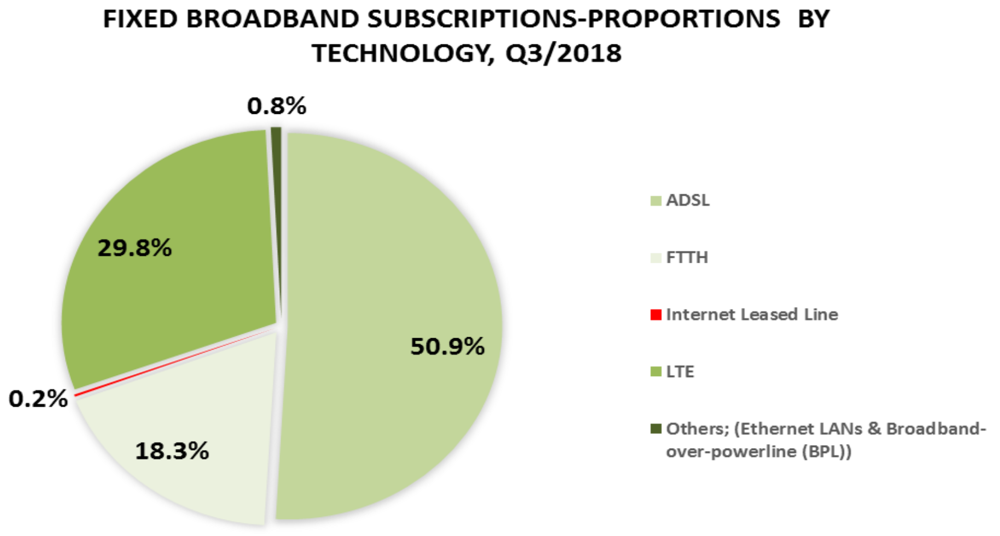




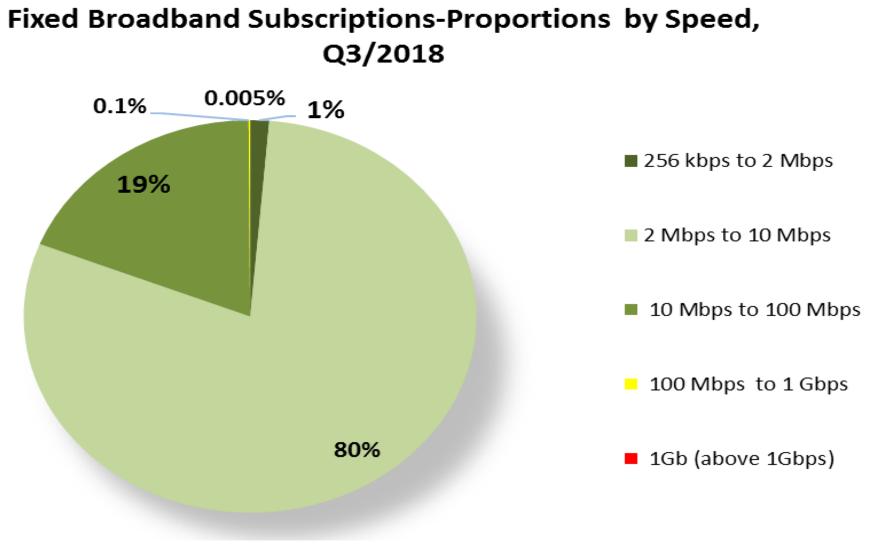
- Fiber – to – the – home (FTTH) subscriptions grew by 11% during Q3, 2018 reaching 73,485 subscriptions as compared to the 66,253 subscriptions at the end of Q2/2018. Similarly, the FTTH penetration per 100 household improved to 13% by end of Q3, 2018.

- It may be noted that the total FTTH subscription as shown above includes fiber laid down by OBC as well as operators own infrastructure. Oman Broadband Company (OBC) has deployed 251,899 FTTH lines by the third quarter of 2018 showing 15% growth as compared to 219,268 deployed connections of the previous quarter.

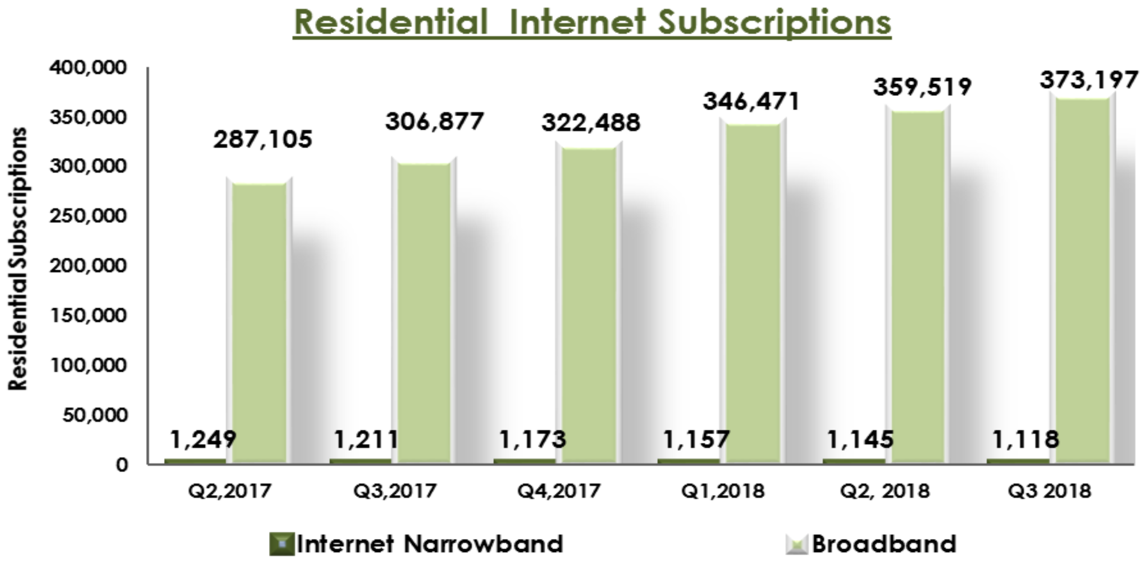




- 50.9% for ADSL subscriptions.
- 29.8% for LTE subscriptions.
- 18.3% for FTTH subscriptions.
- 0.2% for Internet Leased Line subscriptions.
- 0.8% for others subscriptions.

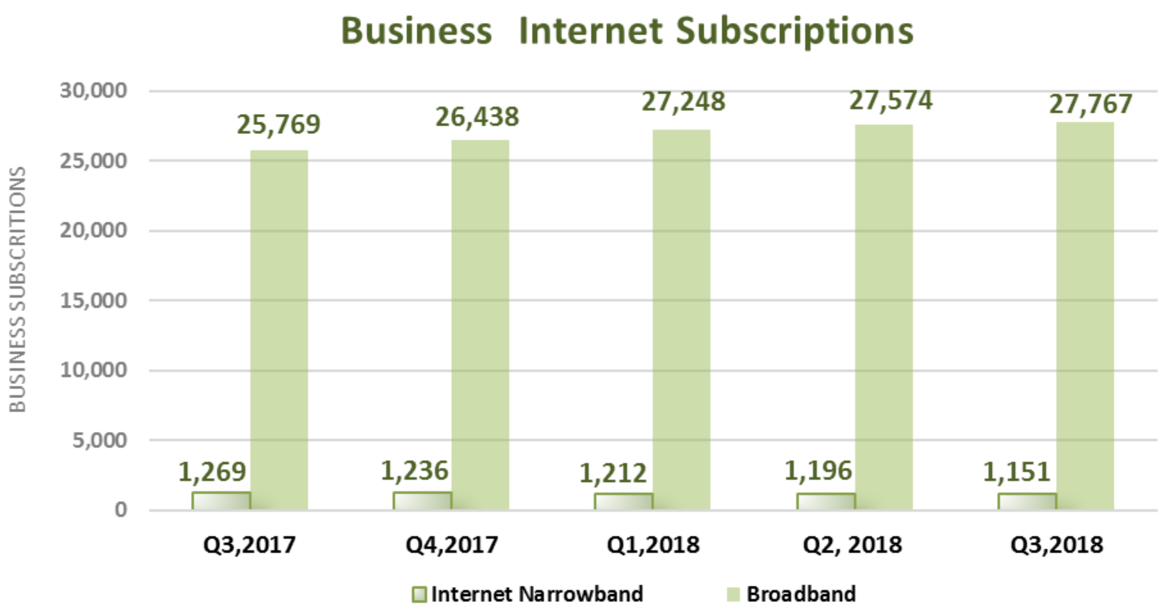


- 1% had access speed of 256 Kbps to 2 Mbps.
- 80% had access speed of 2Mbps to 10 Mbps.
- 19% had access speed of 10 Mbps to 100 Mbps.
- 0.1% had access speed of 100 Mbps to 1 Gbps.
- 0.005% had access speed of more than 1Gbps.

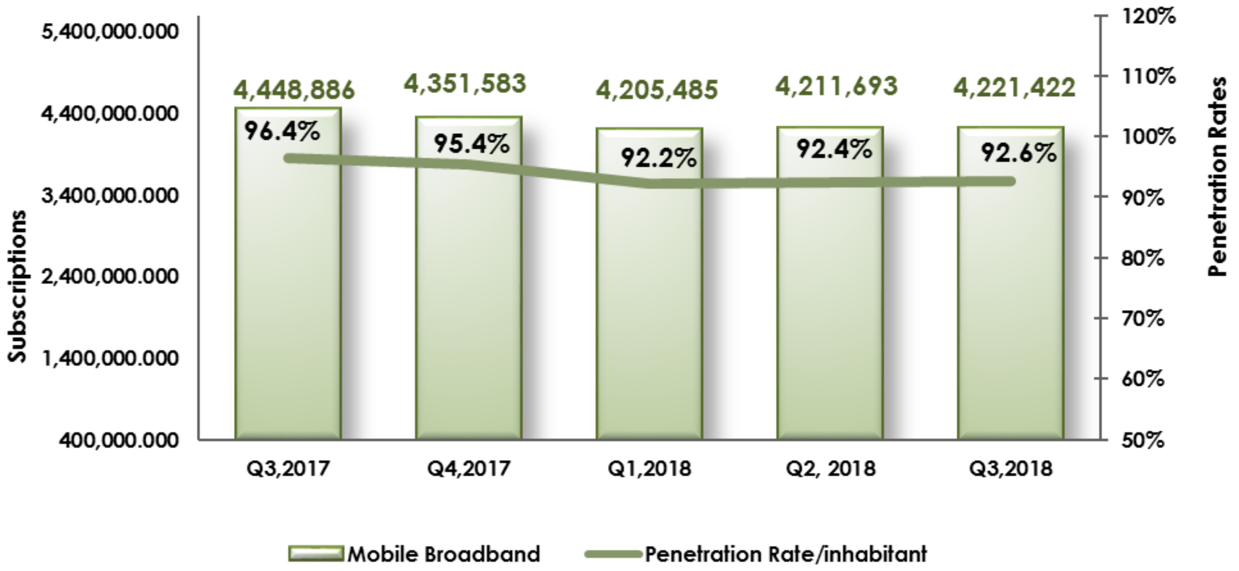


- The residential fixed broadband subscriptions in the above chart show an increase of 3.8% during Q3/2018. On the other hand, the residential narrowband subscriptions declined by 2.4% over the same period.

- The below chart shows the growth in business fixed broadband subscriptions, which is 1%, while the business narrowband subscriptions declined by 4% during the same period.

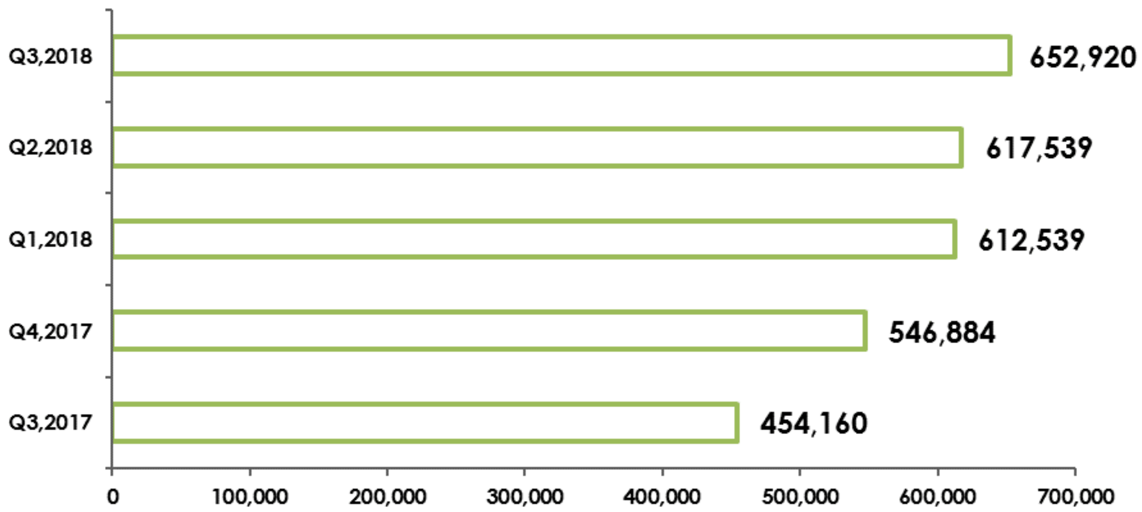


Active Mobile Broadband Subscriptions

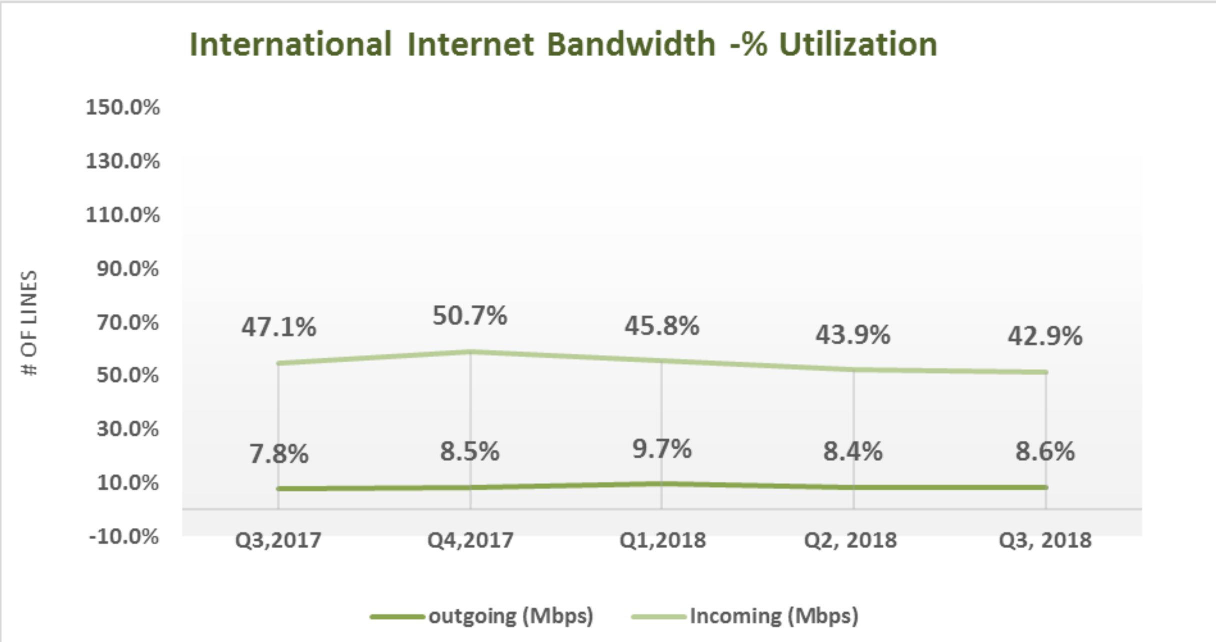


- During Q3/2018, total active mobile broadband subscriptions increased by 0.2% reaching to 4,221,422 from 4,211,693 resulting an improvement in the per inhabitant penetration rate by 0.2% from 92.4% to 92.6%.

International Internet Bandwidth (Mbps)

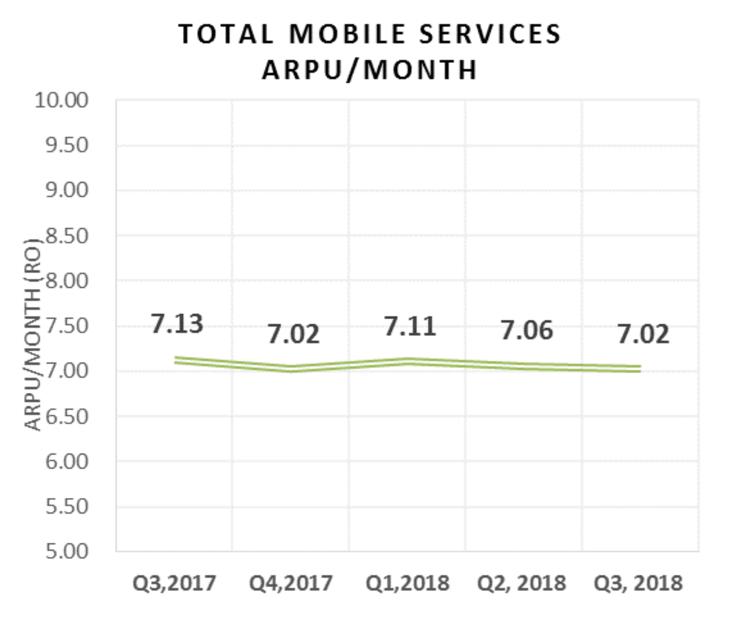


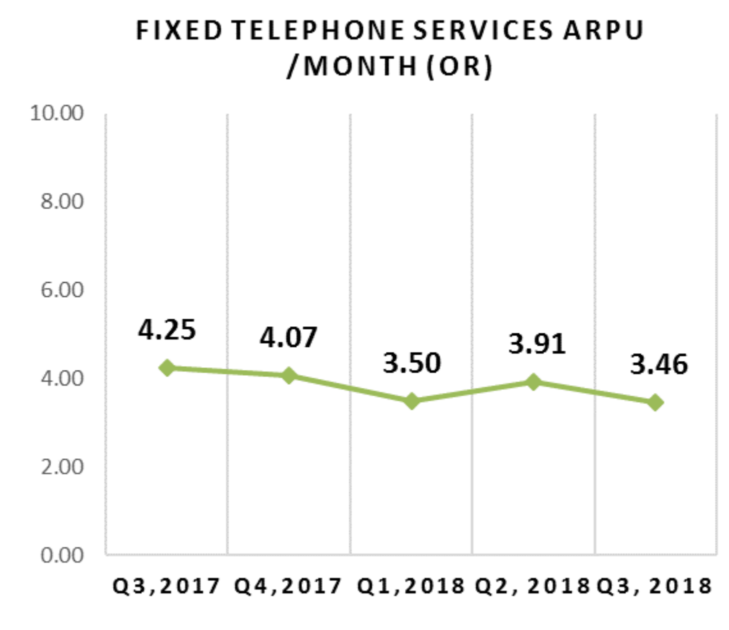
➢ During Q3/2018, the operators had 652,920 Mbps capacity for international internet bandwidth as compared to the previous quarter when it was 617,539 Mbps.

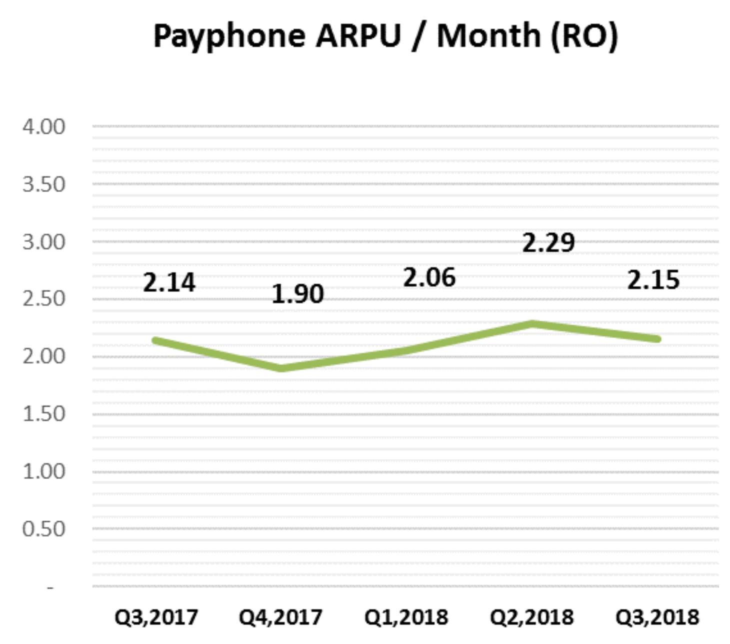


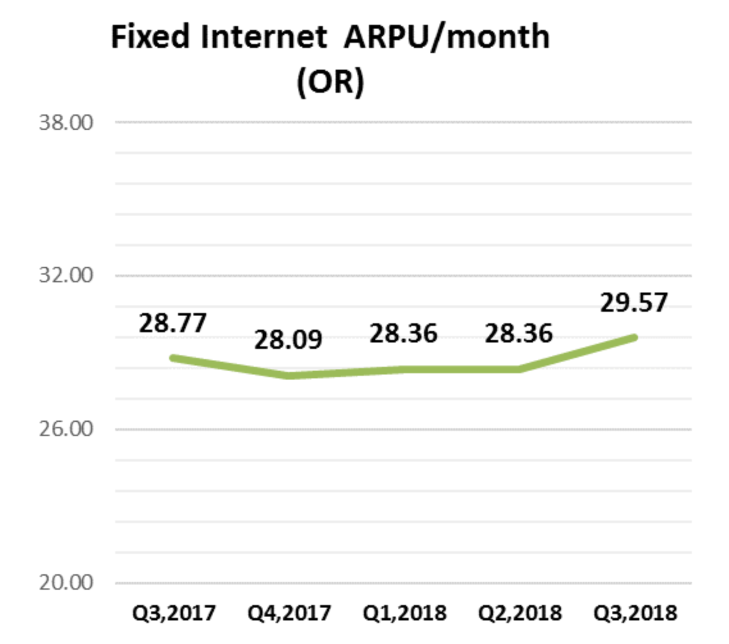
➢ Out of 652,920 Mbps capacity, on average 8.6% capacity was utilized for International Outgoing traffic while 42.9% for International Incoming traffic.

ARPUs



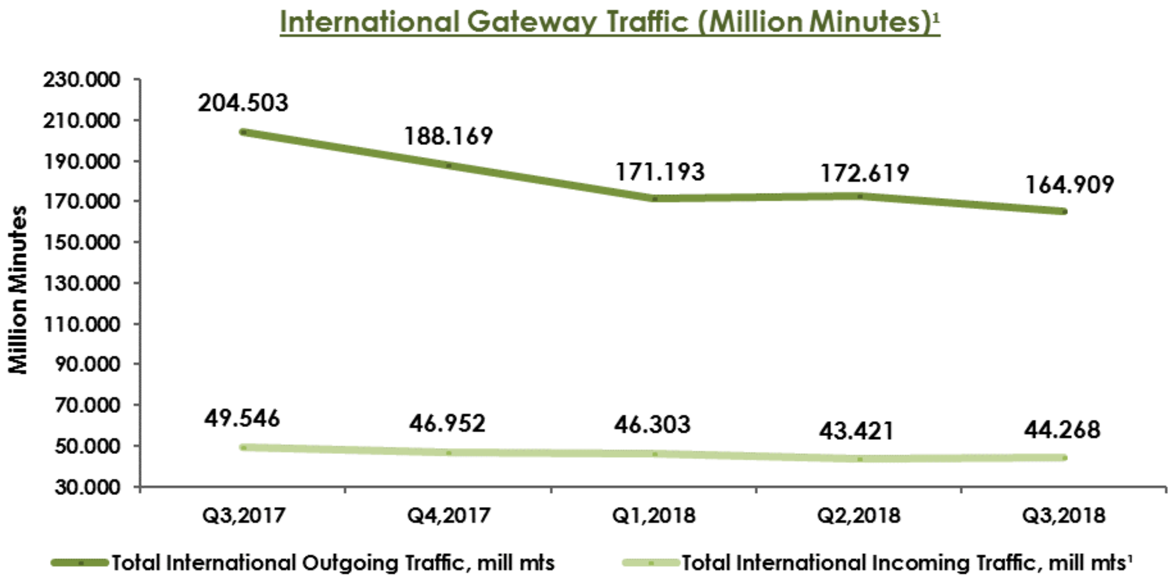




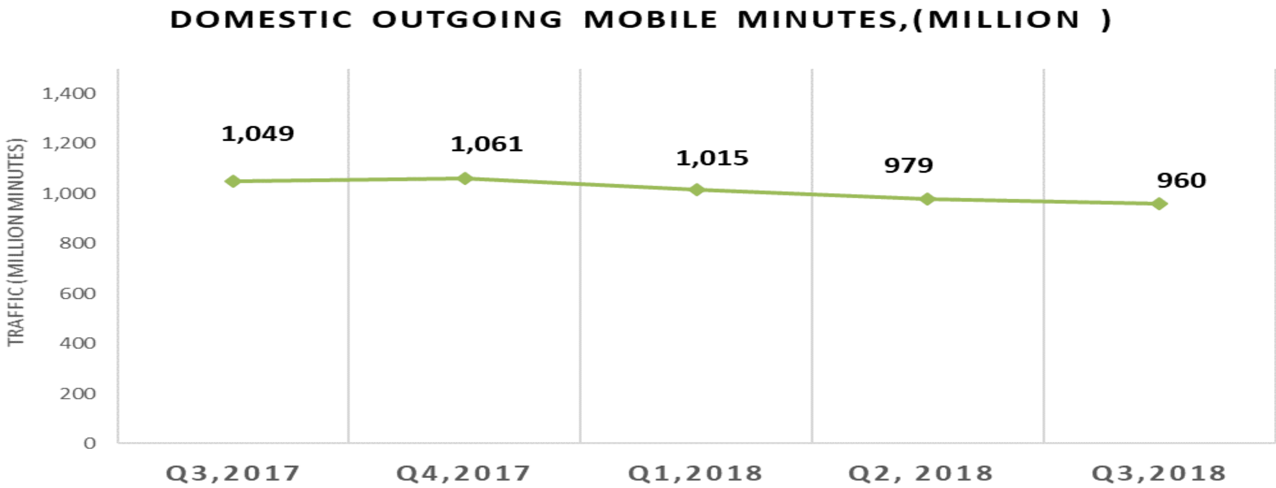


[1]ARPU (average revenue per user (subscription))

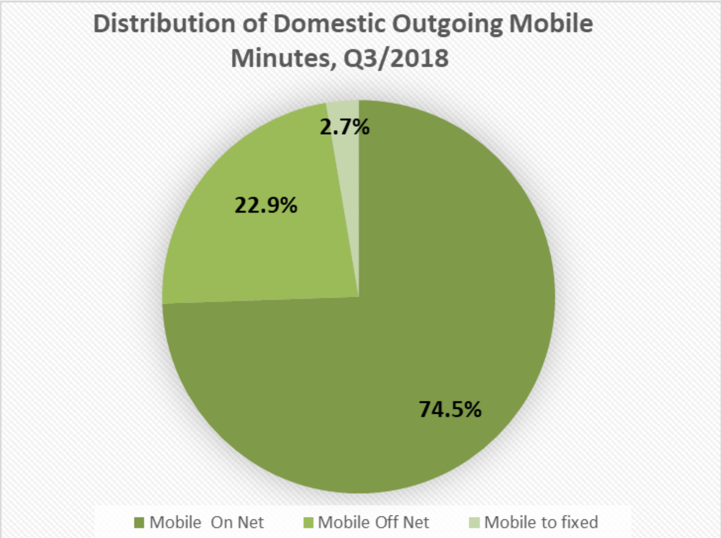
Traffic



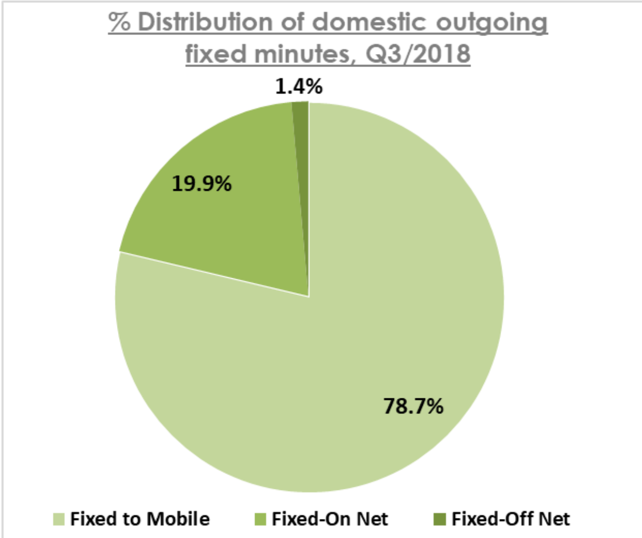
- The third quarter 2018 achieved 164.909 million outgoing minutes, which dropped by 4% against the second quarter 2018. On the other hand, the incoming minutes of the international gateways increased by 2% during the same period with total of 44.268 million minutes by end of the reported quarter.



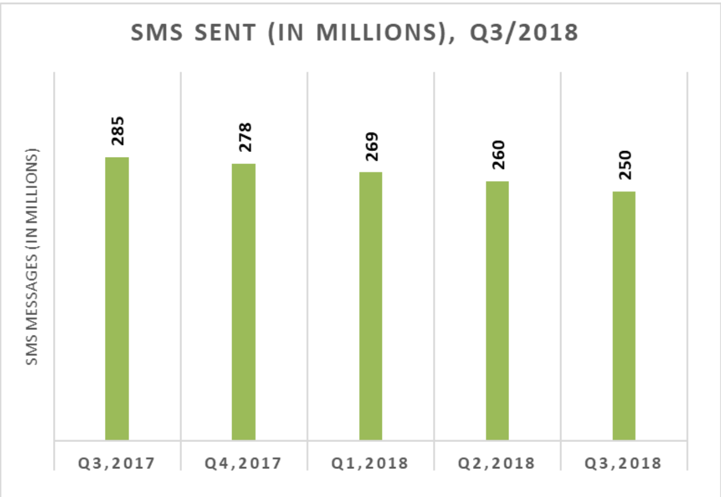
- The number of domestic outgoing mobile minutes continued to drop. In Q3/2018, the decline was 1.9% reaching the volume of 960 million minutes as compared to the previous quarter traffic of 979 million minutes.



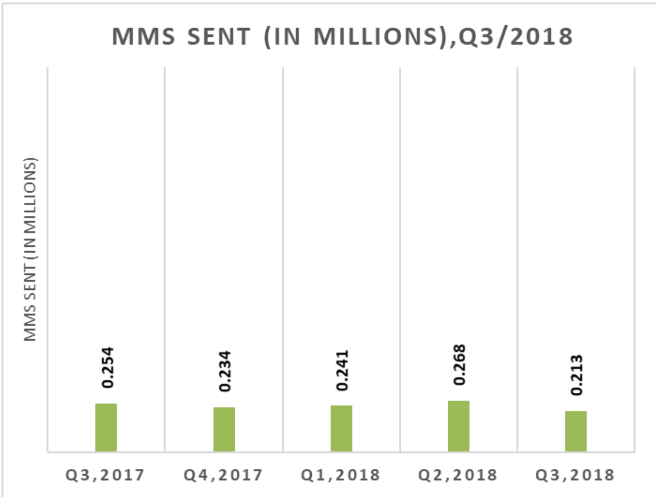
During Q3/2018, Mobile-to-Mobile (On Net) Traffic had the major share of 74.5% out of total Domestic Outgoing Traffic, while the Off Net Mobile Domestic Traffic has 22.9% share. The Mobile-to-Fixed Traffic represents only 2.7% of total Mobile Domestic Traffic.



During Q3/2018, the Domestic Outgoing Fixed Traffic carries 78.7% for Fixed to Mobile, 19.9% for Fixed-to-Fixed (On Net), and 1.4% for Fixed-to-Fixed (Off-Net) traffic share.



Total outgoing SMS (short messages) Traffic continued to drop to reach 250 million messages by Q3/2018 from 260 million messages in the previous quarter.



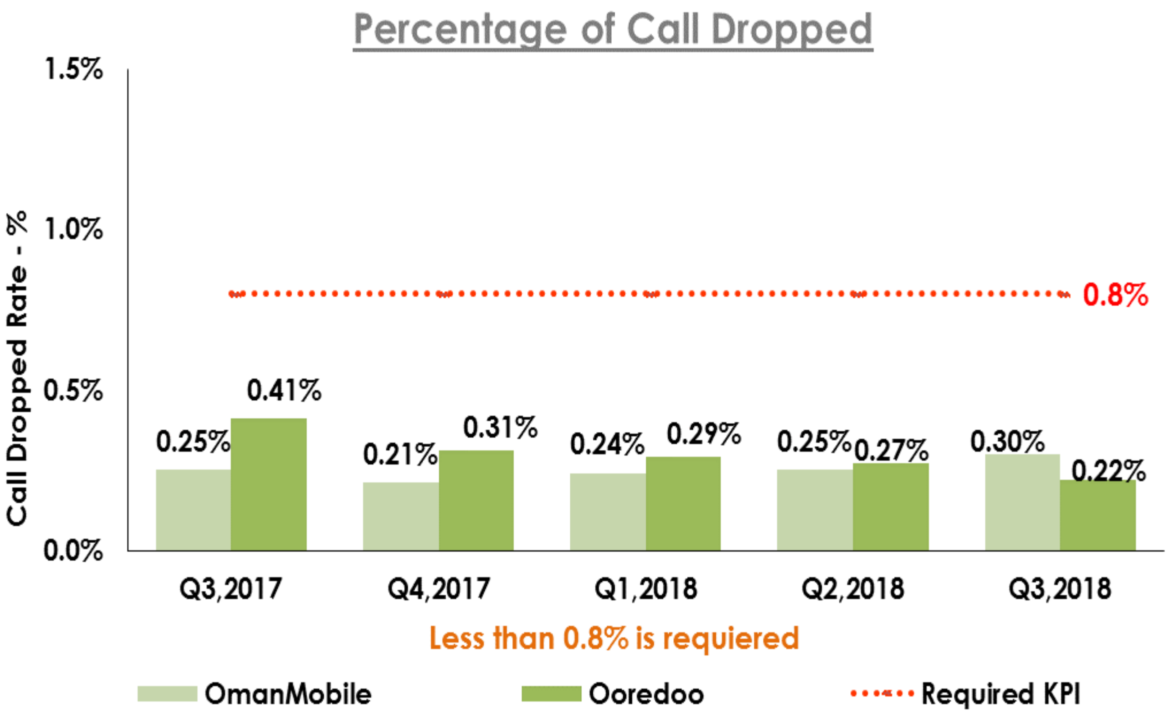
The number of outgoing MMS (multimedia messages) showed a decrease in Q3/2018 to 0.213 million messages.

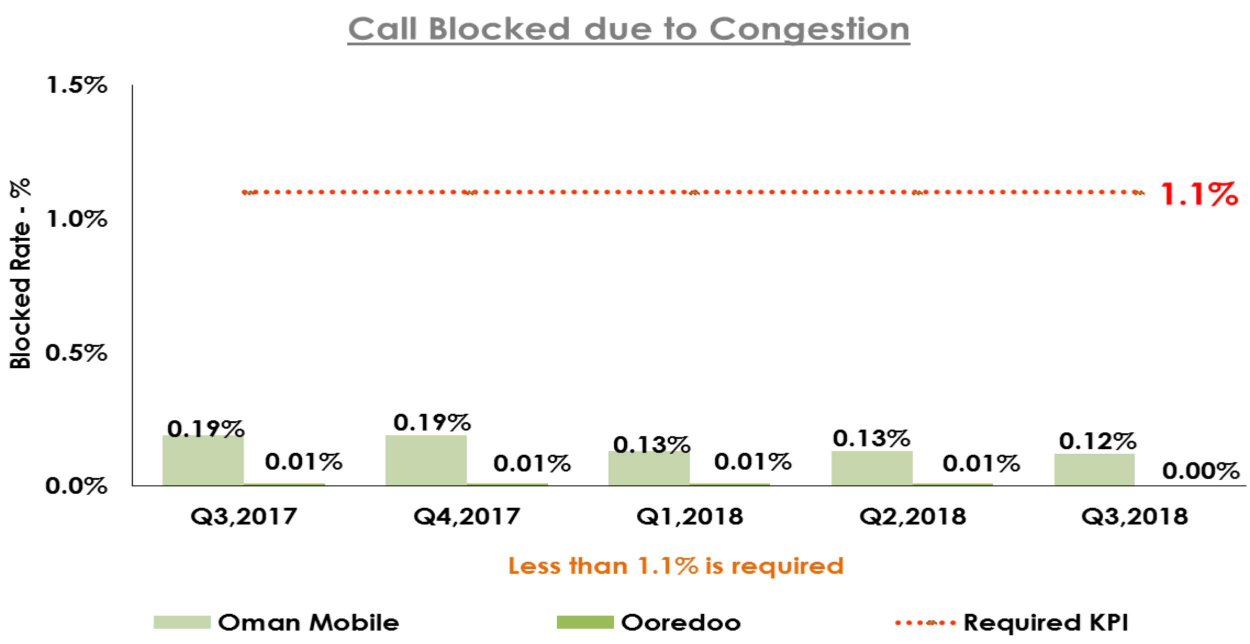
Quality of Service

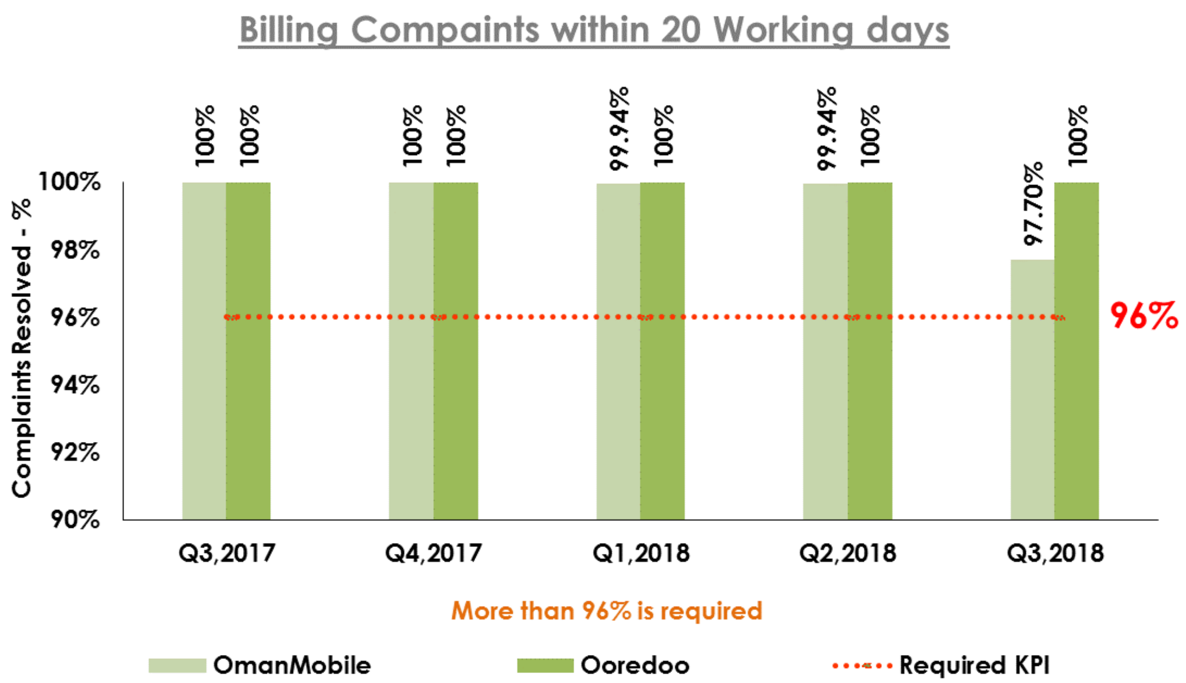
(QoS indicators are as measured and reported by the operators-unaudited)

Mobile Services KPIs

Mobile Services KPIs	Required KPI (Quarterly)	Q3/2018		Q2/2018	
		Oman Mobile %	Ooredoo %	Oman Mobile %	Ooredoo %
1. Percentage of Calls Dropped	Less than 0.8%	0.30%	0.22%	0.25%	0.27%
2. Percentage of Calls Blocked due to Congestion	Less than 1.1%	0.12%	0.00%	0.13%	0.01%
3. Percentage of billing complaints resolved within 20 working days	More than 96%	97.70%	100%	99.94%	100%



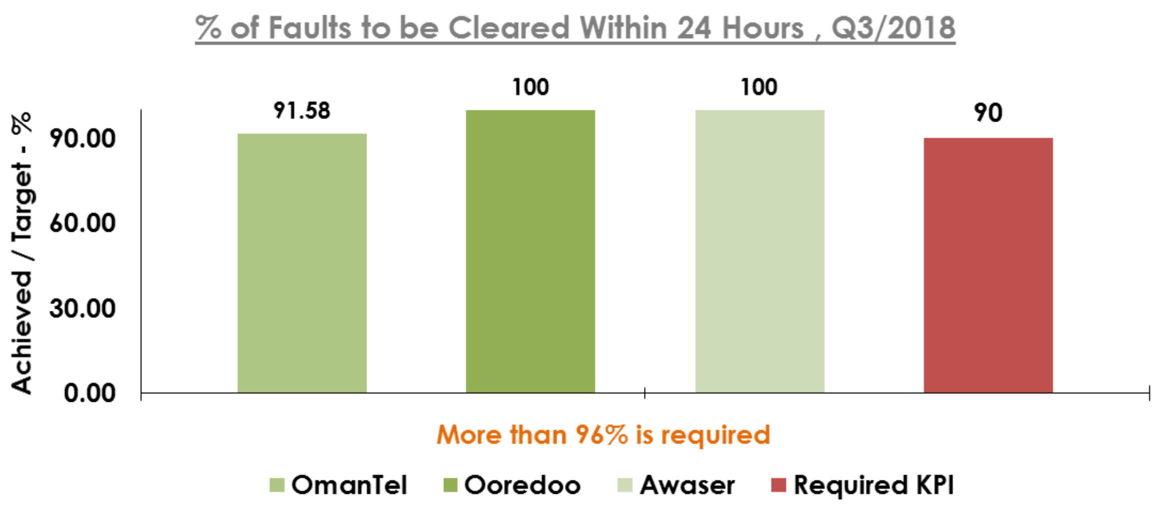

Call Blocked due to Congestion
Blocked Rate - %
1.5%
1.0%
0.5%
0.0%
1.1%
0.19%
0.01%
0.19%
0.01%
0.13%
0.01%
0.13%
0.01%
0.12%
0.00%
Q3,2017
Q4,2017
Q1,2018
Q2,2018
Q3,2018
Less than 1.1% is required
Oman Mobile
Ooredoo
Required KPI

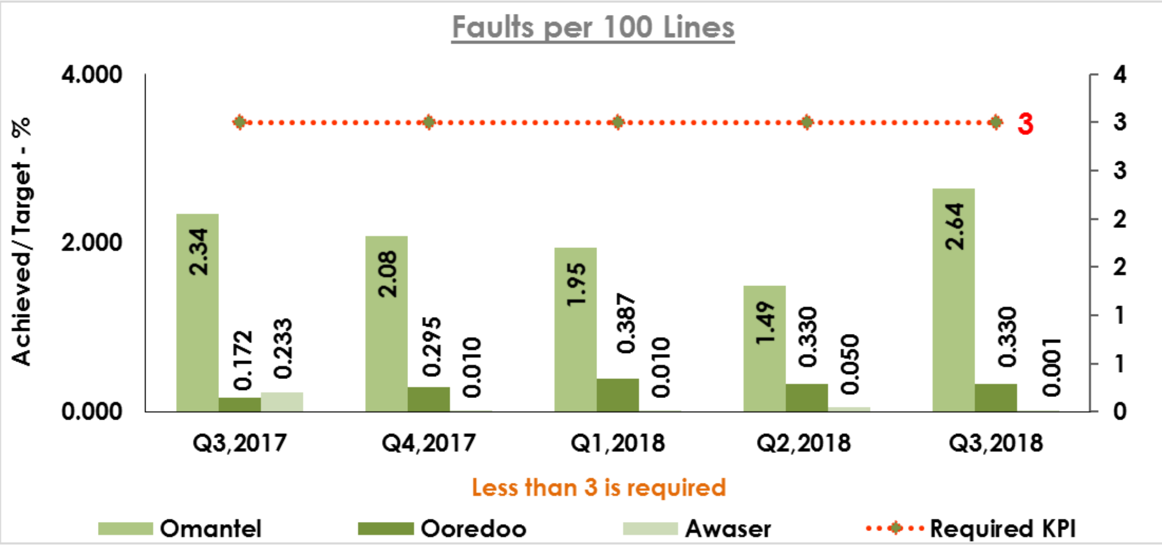

Billing Compaints within 20 Working days
Complaints Resolved - %
100%
98%
96%
94%
92%
90%
100%
100%
100%
100%
99.94%
100%
99.94%
100%
97.70%
100%
96%
Q3,2017
Q4,2017
Q1,2018
Q2,2018
Q3,2018
More than 96% is required
OmanMobile
Ooredoo
Required KPI

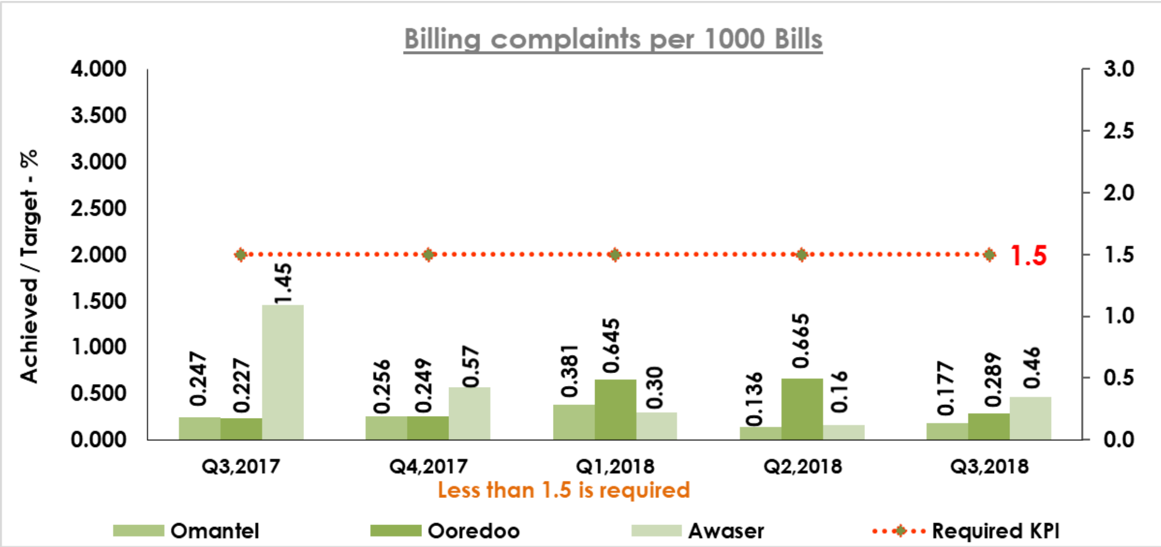
Fixed Services KPIs

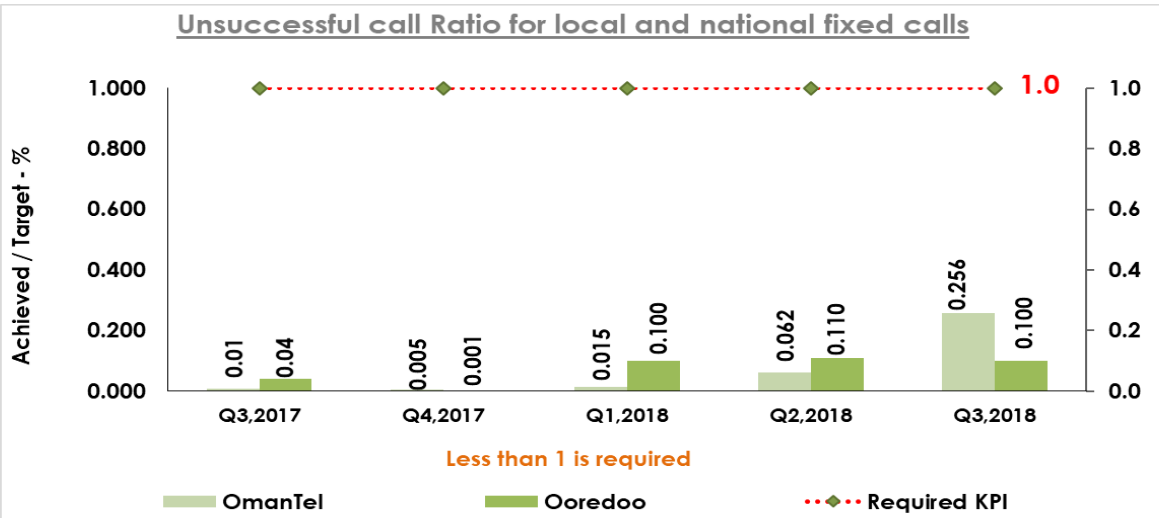
Fixed Services KPIs	Required KPI (Quarterly)	Q3,2018			Q2,2018		
		Omantel %	Ooredoo %	Awasr %	Omantel %	Ooredoo %	Awasr %
1. Faults per 100 lines per quarter	Less than 3	2.64	0.330	0.001	1.49	0.33	0.05
2. % of faults to be cleared within 24 hours	More than 90%	91.58	100	100	96.79	97.14	96
3. Unsuccessful call Ratio for local and national fixed calls	Less than 1%	0.256	0.100	-	0.062	0.110	-
4. Billing complaints per 1000 Bills	Less than 1.5	0.177	0.289	0.46	0.136	0.665	0.16
5. Percentage of billing complaints resolved within 20 working days	More than 96%	96.01	100	100	98.984	100	100

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




Faults per 100 Lines
Achieved/Target - %
4.000
2.000
0.000
4
3
3
2
2
1
1
0
3
2.34
0.172
0.233
2.08
0.295
0.010
1.95
0.387
0.010
1.49
0.330
0.050
2.64
0.330
0.001
Q3,2017
Q4,2017
Q1,2018
Q2,2018
Q3,2018
Less than 3 is required
Omantel
Ooredoo
Awaser
Required KPI

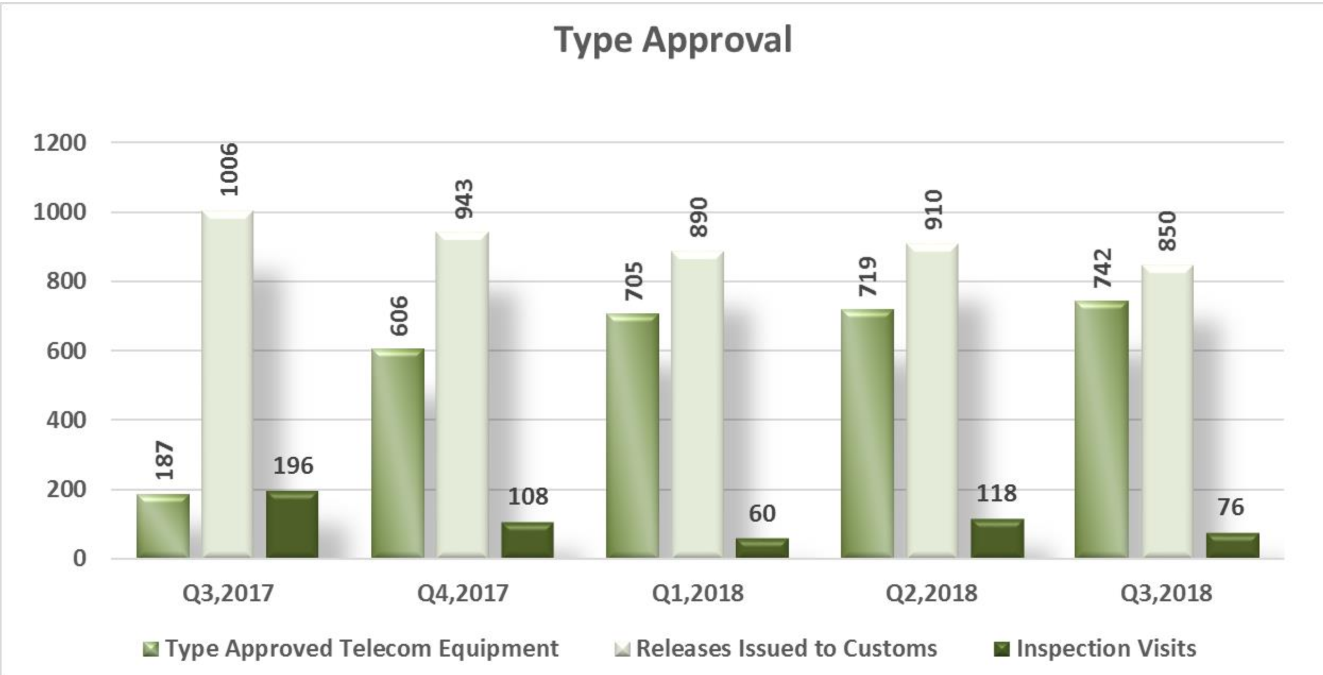

Billing complaints per 1000 Bills
Achieved / Target - %
4.000
3.500
3.000
2.500
2.000
1.500
1.000
0.500
0.000
3.0
2.5
2.0
1.5
1.0
0.5
0.0
1.5
0.247
0.227
1.45
0.256
0.249
0.57
0.381
0.645
0.30
0.136
0.665
0.16
0.177
0.289
0.46
Q3,2017
Q4,2017
Q1,2018
Q2,2018
Q3,2018
Less than 1.5 is required
Omantel
Ooredoo
Awaser
Required KPI

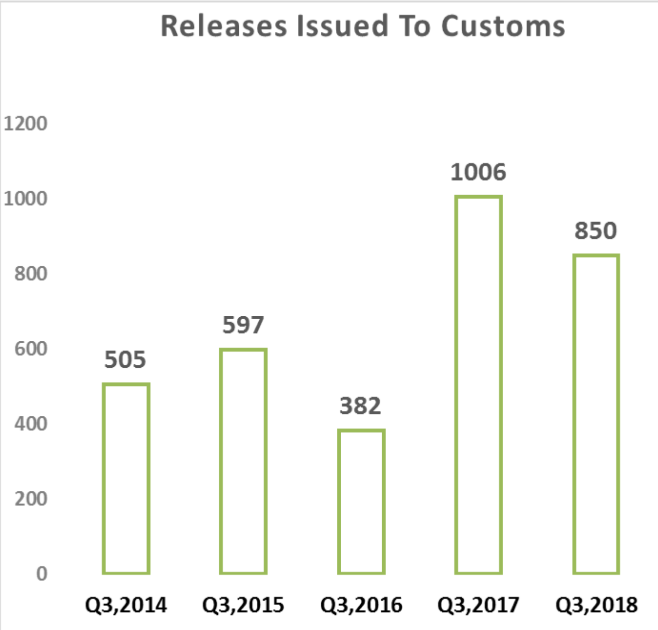

Unsuccessful call Ratio for local and national fixed calls
Achieved / Target - %
1.000
0.800
0.600
0.400
0.200
0.000
1.0
0.8
0.6
0.4
0.2
0.0
1.0
0.01
0.04
0.005
0.001
0.015
0.100
0.062
0.110
0.256
0.100
Q3,2017
Q4,2017
Q1,2018
Q2,2018
Q3,2018
Less than 1 is required
OmanTel
Ooredoo
Required KPI

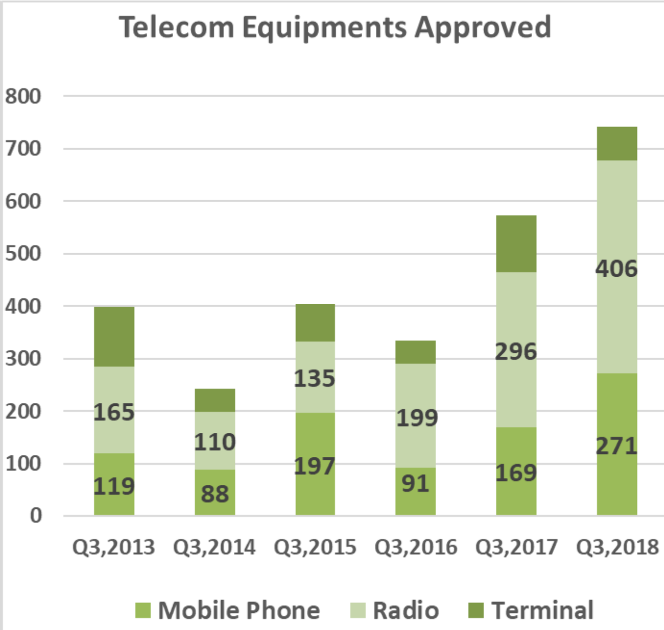
Type Approval

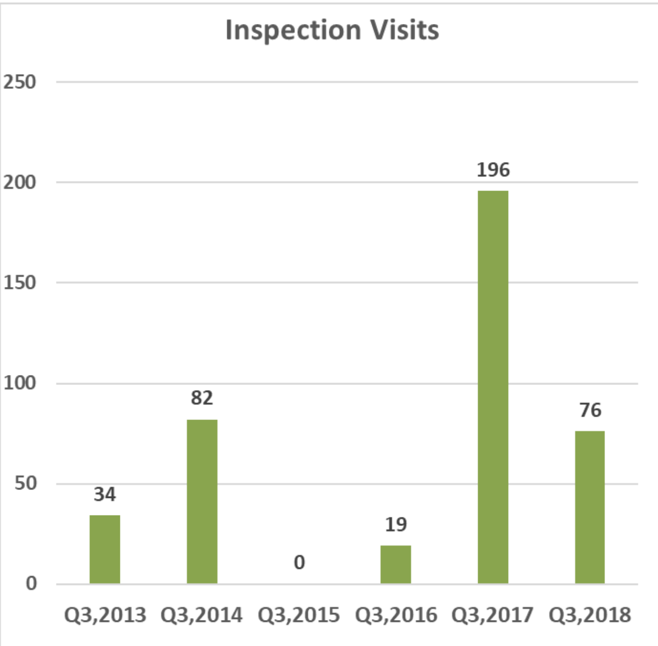
During Q3/2018, TRA:

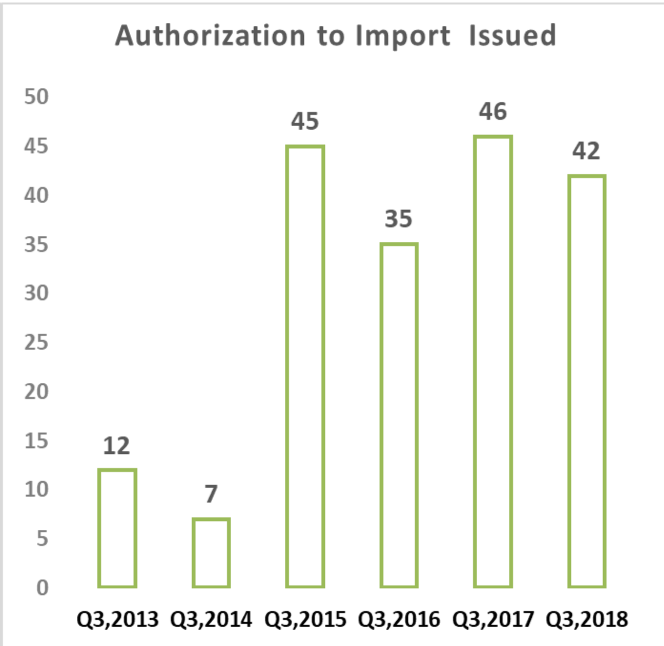
- Approved a total number of 742 (Previous Quarter 719) Telecom Equipment.
- Issued 850 (Previous Quarter: 910) Releases to Customs for Import of Telecom Equipment.
- Inspected 76 (Previous Quarter: 118) Dealerships.




Releases Issued To Customs
1200
1000
800
600
400
200
0
505
597
382
1006
850
Q3,2014
Q3,2015
Q3,2016
Q3,2017
Q3,2018


Telecom Equipments Approved
800
700
600
500
400
300
200
100
0
165
119
110
88
135
197
199
91
296
169
406
271
Q3,2013
Q3,2014
Q3,2015
Q3,2016
Q3,2017
Q3,2018
Mobile Phone
Radio
Terminal


Inspection Visits
250
200
150
100
50
0
34
82
0
19
196
76
Q3,2013
Q3,2014
Q3,2015
Q3,2016
Q3,2017
Q3,2018


Authorization to Import Issued
50
45
40
35
30
25
20
15
10
5
0
12
7
45
35
46
42
Q3,2013
Q3,2014
Q3,2015
Q3,2016
Q3,2017
Q3,2018

Tariffs & Promotions

Number of new and revised Promotions approved during Q3/2018

Services		Renna	Friendi	Teo	Omantel	Ooredoo	Awasr	Total	%
National Voice	Mobile							0	0%
	Fixed							0	0%
InternationalVoice			1		2			3	9%
Data	MBB	1	2		4	3		10	30%
	FBB				2		1	3	9%
Welcome Pack / New Connections	Mobile					1		1	3%
	Fixed							0	0%
International Mobile Roaming					2	2		4	12%
Vaue Added Services					2			2	6%
Top-Up and Bundled services					6	4		10	30%
Leased line/MPLS								0	0%
Miscellanious								0	0%
Total		1	3	0	18	10	1	33	100%
%		3%	9%	0%	55%	30%	3%	100%	

Number of new and revised Tariffs approved or filed during the Q3/2018

Services		Renna	Friendi	Teo	Omantel	Ooredoo	Awasr	Total	%
Voice	Mobile							0	0%
	Fixed							0	0%
International Voice					1			1	7%
Data	Mobile				1	1		2	14%
	Fixed				2			2	14%
Welcome Pack / New Connections	Mobile							0	0%
	Fixed							0	0%
International Mobile Roaming								0	0%
Vaue Added Services					3	2		5	36%
Top-Up and Bundled services					3	1		4	29%
Leased line/MPLS								0	0%
Miscellanious								0	0%
Total		0	0	0	10	4	0	14	100%
%		0%	0%	0%	71%	29%	0%	100%	

No. of Approvals and Filings of Tariff Proposal (Promotions/New Services and Revisions) Q3, 2018

Licensee	No of Promotions		Total	New and Revisions		Total
	Approved	Filed		Approved	Filed	
Renna		1	1			0
Friendi		3	3			0
Teo			0			0
Omantel	18		18	9	1	10
Ooredoo	10		10	4		4
Awasr		1	1			0
Total	28	5	33	13	1	14
%	85%	15%	100%	93%	7%	100%

Segment-wise Tariff Proposals (Promotions/New Services and Revisions) Q3, 2018

	Residential	Corporate	Residential & Corporate	Total
No. of Promotions	32	0	1	33
%	97%	0%	3%	100%
No. of new services and revisions	13	0	1	14
%	93%	0%	7%	100%

	Prepaid	Postpaid	Pre & Postpaid	Total
No. of Promotions	15	9	9	33
%	45%	27%	27%	100%
No. of new services and revisions	3	7	4	14
%	21%	50%	29%	100%

Summary of the tariff activity in Q3/2018:

1- Number of Promotional offers made during this Quarter is more by 50% comparing with the same quarter last year from 22 to 33 offer this year.
2- Most Promotions approved and filed were for Mobile Broadband (30%), Top-Up & Bundled Services (30%) and International Mobile Roaming (12%).
3- Most of the new tariffs and revisions approved and filed were for Value Added Services (36%), Mobile Bundles (29%) and Mobile Broadband & Home Broadband with 14% each.
4- Out of total, only 15% of promotions were introduced by Mobile Resellers and Awasr.
5- Number of promotions filed accounted for 15 % of the total promotions.

Prominent aspects of Promotions:

1- Ooredoo launched in the 3rd Quarter the following prominent promotions:
   - Superfast Triple Speed Upgrade Offer:Customers with superfast plans will get a triple speed upgrade by paying an additional monthly fee
   - Summer Passport World Promotion: Ooredoo Oman to offer travelers 3 times the data on Passport World Bundle i.e. 3 GB at the same price.
   - Smart SIM: new Welcome Pack for potential Subscribers to new Shababiah including 1 GB open data, 1 GB social data and 50 national minutes.
2- Most remarkable promotions Omantel Launched this quarter are as follows:
   - Baqati Roam Like Home: customers subscribed to Baqati Plans can make use of their Data allownaces and Voice minutes of the plans (S, M, L, XL) while roaming into GCC.
   - Social Media Bundles Promotion: Hayyak customers avail of Data bundles used exclusively for specific social media applications.
3- Both operators, Omantel and Ooredoo launched special promotions on the occasion of the Renaissance day and for the Hajj season

Important Tariffs, services and revisions Launched during this quarter:

1- Omantel revamped GoBiz plans: these business plans which Omantel increased the allowances of their local and international roaming data and minutes.
2- Omantel launched more competitive MBB data plans as well as enhanced Hayyak Your way Plans with double data allowances.
3- Omantel introduced whats so called family Plan for their Home Broadband Service offering the subscribers the feature to include mobile lines up to 9 lines to call each other for free.
4- Omantel`s Smartphone and Tablets Offer: Omantel Baqati customers who sign 12 & 24 Months Contract can avial of fixed discounts on the existing devices.