



هيئة تنظيم الاتصالات
Telecommunications Regulatory Authority
Kingdom of Bahrain - مملكة البحرين

GUIDELINES FOR THE APPROVAL OF AUTHORISED RESELLERS OF SIM-CARD ENABLED TELECOMMUNICATIONS SERVICES TO NATURAL PERSONS

These Guidelines are issued by the Telecommunications Regulatory Authority (the “**TRA**” or the “**Authority**”) to assist Affected Licensees in their appointment of Approved Resellers pursuant to the new SIM-Card Enabled Telecommunications Services Registration Regulation (the “**New Regulation**”) (the “**Guidelines**”).

All defined terms used in these Guidelines shall have the meanings given to them in the New Regulation unless otherwise specified.

These Guidelines have been designed to help Affected Licensees understand how the Authority intends to approve Resellers for the purposes of distributing or reselling SIM Cards to Subscribers who are natural persons (“**Approved Resellers**”).

1.1 These Guidelines have taken into account the responses provided during the Consultation Process.

1.2 The Authority notes that these Guidelines may be amended in the future.

2 WHAT CAN AN APPROVED RESELLER OFFER TO SUBSCRIBERS?

2.1 Outlets will be able to offer all SIM-Card Enabled Telecommunications Services (be they Prepaid Telecommunications Services or otherwise) to all Subscribers, be they natural persons, Commercial Entities or Government Entities.

2.2 Outlets will also have to undertake the Registration Renewal Process for all Subscribers who are Commercial and Government Entities using a SIM-Card Enabled Telecommunications Service.

2.3 By contrast, Approved Resellers will **only** be permitted to distribute or resell SIM Cards to Subscribers who are natural persons.

2.4 Approved Resellers will also be permitted to carry out the Registration and Verification Processes as detailed in the New Regulation (only insofar as this is limited to natural persons) however Activation shall be carried out by the Affected Licensee only.

3 THE APPROVED RESELLER CRITERIA

3.1 In order for an entity to be approved by the Authority as an Approved Reseller, that entity has to be either a Commercial or Government Entity which meets the standards set out in these Guidelines.

The Commercial Entity/Government Entity

3.2 The Authority is determined to ensure that Approved Resellers of SIM Cards are Commercial or Government Entities who are capable and willing to carry out the Registration, Verification and data recording processes required to support the objectives of the New Regulation.

3.3 In order to assist Affected Licensees, the Authority is of the opinion that a Reseller will not be granted status as an Approved Reseller unless it can be shown that the (Approved) Reseller is:

3.3.1 a reputable Commercial Entity, or a Government Entity (e.g. the Post Office) and

3.3.2 in possession of all relevant licences and Ministerial (or otherwise official) approvals to conduct the services ancillary to the Approved Reseller's business in the Kingdom of Bahrain, particularly allowing it to undertake the distribution and resale of SIM Cards;

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In addition to fulfilling the above criteria, the Authority will have regard to a number of factors when assessing the fitness and propriety of a Commercial Entity to perform the distribution or resale of SIM Cards. The most important considerations will be the Commercial Entity's Honesty, Integrity and Reputation.

3.4 **Honesty, Integrity and Reputation**

3.4.1 The Authority will look at whether the Commercial Entity's reputation might have an adverse impact upon the Authority, the Affected Licensee or the Telecommunications market of the Kingdom of Bahrain.

3.4.2 The matters to which the Authority will have regard include, but are not limited to:

- (a) whether the shareholder or directors of the Commercial Entity have been convicted of any criminal offence (particular consideration will be given to offences of dishonesty, fraud or financial crime);
- (b) whether the shareholders or directors of the Commercial Entity have been the subject of any adverse finding or any settlement in civil proceedings, particularly in connection with investment or other financial business, misconduct or fraud;
- (c) whether the shareholders or directors of the Commercial Entity have been the subject of, or interviewed in the course of, any existing or previous investigation or disciplinary proceedings, by the Authority, by other regulatory authorities (including a previous regulator) or Government Entity;
- (d) whether the shareholders or directors of the Commercial Entity are or have been the subject of any proceedings of a disciplinary or criminal nature, or have been notified of any potential proceedings or of any investigation which might lead to those proceedings;
- (e) whether the Commercial Entity has contravened any of the requirements and standards of the regulatory system or the equivalent standards or requirements of other regulatory authorities (including a previous regulator) or Government Entity;
- (f) whether the Commercial Entity has been the subject of any justified complaint relating to regulated activities;
- (g) whether the Commercial Entity has been involved with a company, partnership or other organisation that has been refused registration, authorisation, membership or a licence to carry out a trade, business or profession, or has had that registration, authorisation, membership or licence revoked, withdrawn or terminated;
- (h) whether, as a result of the removal of the relevant licence, registration or other authority (or otherwise), the Commercial Entity has been refused the right to carry on a trade, business or profession requiring a licence, registration or other authority; and

- (i) whether, in the past, the Commercial Entity has been candid and truthful in all its dealings with any regulatory body and whether the Commercial or Government Entity demonstrates a readiness and willingness to comply with the requirements and standards of the regulatory system and with other legal, regulatory and professional requirements and standards.

3.5

THE APPROVED RESELLER APPLICATION

3.6 The Affected Licensee is responsible for making the Approved Reseller Application to the Authority. The Authority will not accept applications received directly from Resellers.

3.7 The Approved Reseller Application must, at a minimum, contain the following information supported by sufficiently detailed and easily verifiable documentary evidence:

- (a) Evidence that the prospective Approved Reseller is a reputable entity or a Government Entity (e.g. the Post Office). The documentary evidence provided to the Authority to support this assertion should, at a minimum, include:
 - (i) A copy of the Commercial Registration of the prospective Approved Reseller;
 - (ii) Details of all the retail stores/ points of sale via which the Approved Reseller will offer for distribution or resale SIM Cards to Subscribers who are natural persons; and
 - (iii) A list of all employees (and CPR numbers) who will be engaged in offering the SIM Cards to Subscribers.
- (b) An undertaking to the Authority issued by the Affected Licensee that the Approved Reseller is able to discharge the Affected Licensees' obligations under the New Regulation (including the obligations to manually and electronically record the Subscriber Information) and that the Affected Licensee accepts that any failure by the Approved Reseller to comply with the terms of the New Regulation shall be deemed by the Authority as a failure to do so by the Affected Licensee.

- (c) An undertaking to the Authority issued by the Affected Licensee that the Approved Reseller fulfils the criteria set out at Article 3.4 of these Guidelines.
- (d) Any other information that the Authority might request for the purposes of supporting the criteria set out at Article 3 above.
- (e) Proof of payment of the application processing fees for each reseller application as per the Schedule of Fees.

3.8 Upon receipt of an Approved Reseller Application, the Authority may request additional information it believes is required to support the Approved Reseller Application.

3.9 The Authority shall inform an Affected Licensee within 30 days of submission of the Approved Reseller Application (or within receipt of the additional information requested) whether their Approved Reseller Application has been granted.

3.10 If the Authority rejects an Approved Reseller Application, the Authority may elect to not provide the grounds for such rejection.

3.11 If an Approved Reseller Application is rejected, the Affected Licensee may not resubmit an Approved Reseller Application for the same Reseller until the lapse of three (3) months from the date of rejection.

4 TIMELINES UNDER THE NEW REGULATION

4.1 The New Regulation has set out prescribed timelines under which Affected Licensees must fulfil their obligations and put in place systems that allow the objectives of the New Regulation to be realised.

4.2 In particular the New Regulation requires that within seven (7) months of the New Regulation coming into force, Affected Licensees must have in place an electronic system that allows the verification scan to be conducted and allows the Subscriber Information collected on Registration to be uploaded to the Subscriber Database contemporaneously.

4.3 It is an ongoing obligation on each Affected Licensee to ensure that the Electronic Devices and/or electronic systems being used by Approved Resellers remain, at all

times, of an appropriate operational state for ongoing compliance with the New Regulation.

5 ACTION TO BE TAKEN SHOULD AN APPROVED RESELLER BREACH THE NEW REGULATION

5.1 The Affected Licensee will be responsible for its Approved Resellers' compliance with the New Regulation.

5.2 In particular, if an Affected Licensee discovers, or has reasonable grounds to believe, that any of its Approved Resellers has undertaken (or is undertaking) any of the activities set out below, the Affected Licensee shall immediately inform the Authority so that appropriate action may be taken and suspend the operations of the Approved Reseller, pending an investigation by the Authority:

5.2.1 The Approved Reseller is offering (or has offered) the distribution or resale of SIM Card(s) to a Subscriber who is not a natural person,

5.2.2 The Approved Reseller has failed to Register Subscriber Information in accordance with Article 3 of the New Regulation,

5.2.3 The Approved Reseller has failed to Verify Subscriber Information in accordance with Article 4 of the New Regulation, or

5.2.4 The Approved Reseller is otherwise in breach of the terms or objectives of the New Regulation.

5.3 The above is not intended to be an exhaustive list and the Authority may take into consideration any activities or undesirable behaviour it may deem contrary to the objectives of the New Regulation.

5.4 The Authority has the power to revoke its approval of an Approved Reseller found to be guilty of any of the actions under Article 5.2 and 5.3 above without prior notice and with immediate effect. Should the Authority revoke its approval, the Affected Licensee must recover or destroy all the remaining SIM Cards in that Reseller's possession. The Affected Licensee must, within 7 days, provide the Authority with a list (together with the information required in respect of such as defined in Article 12 of the New Regulation) of all SIM Cards that have been recovered or destroyed.

5.5 Upon receipt of such information the Authority shall decide whether an Article 35 Order and/or any other of the investigative processes allowed under the Telecommunications Law is required.