



Public Consultation Document

on

The draft of "Regulations of the minimum Internet speed over fixed telecommunications networks"

Issued by the Communications and Information Technology Commission

Kingdom of Saudi Arabia

Riyadh



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Introduction

The CITC has prepared this public consultation document to obtain the views of the stakeholders on the draft of " Regulations of the minimum Internet speed over fixed telecommunications networks" as per CITC regulations and the regulations in force in the Kingdom and the international standards related to the Communication and Information Technology sector. This came in line with the CITC keenness on fulfilling its duties and pursuing its goals to achieve transparency and protect the interests of users and promote public participation in the decision-making process.

This document includes regulatory measures related to Internet speeds over fixed telecommunications networks proposed by the CITC.

Background and Considerations

The Communications and Information technology sector is witnessing a transition from reliance on voice services to data services, which requires the provision of high-quality Internet services. The data consumption rate in the Kingdom is considered to be the highest in the world and to keep abreast of technological developments, and to meet the growing demand for Internet services as well as to enhance the quality of service, a number of initiatives have been launched to stimulate and support investment in infrastructure and broadband services and raise the standards of the quality of service. This also came in line with the latest trends in the communications and information technology sector with digital transformation and reliance on data and added services. Aiming at developing the tools, regulatory and technical frameworks necessary to provide all the telecom subscribers in the Kingdom with the most exceptional services that meet their aspirations, these initiatives include:

- Provide fixed broadband services to all regions of the Kingdom through the initiative of deployment of fiber optic broadband services, which aims to deliver optical fiber to more than 2 million units around all regions of the Kingdom by 2020.
- Develop indicators to measure the quality of communications and broadband services and disseminate them publicly to motivate service providers to improve the quality of their services.



- Monitor and measure the general quality of the experience of Internet services in the Kingdom to identify weaknesses or shortcomings. The application of the "Meqyas", was launched to promote transparency by providing users with authenticated and accurate information about the Internet services provided to them transparently and clearly, and contribute to increasing competition between service providers in order to improve quality.
- Enable the use of all applications that provide voice and video communications via the Internet that meet regulatory requirements in the Kingdom.
- Requiring service providers to redouble their efforts in disclosing mechanisms related to the key features and benefits of packages and offers to enable the users to make appropriate decisions before subscribing to any package.

The speed of data transfer (download and upload speed) via the Internet is one of the most important factors affecting the quality of service and end-user experience, as different applications require a minimum Internet data transfer speed to ensure the quality of service and efficiency of performance for each activity and application. Any additional speeds contribute to improving the quality of the end-user experience, so the available speeds determine what the users can do online and are a vital consideration when subscribing to Internet services. The speed of data transfer over fixed telecommunication networks is affected by several factors, including:

- The technologies used in the access network that connect the service provider's network with the subscriber's facilities.
- The location of the subscriber and the length of the network cables connecting the subscriber's site and other network components.
- The number of users on the same line at the same time.
- Peak usage times.
- The settings and specifications of peripherals used by the subscriber.
- Terms and conditions of the subscription package.

Packages for subscription to Internet services over fixed telecommunications networks are usually categorized based on the speed of data transfer that may be provided by service providers, while packages over mobile networks are categorized according to the size of data available for consumption over a specified



period of time. This is because it is not possible to guarantee a certain speed for subscribers over mobile networks as the service provided through these networks depends mainly on the principle of sharing the capacities and speeds available among users as well as the continuing change of the number of subscribers to the site.

Current Status

CITC has studied and analyzed the current status of Internet services over fixed telecommunications networks in terms of speeds and packages offered to subscribers. The following are the main findings of this study:

- Low rate of subscriptions to broadband services over fixed-line networks compared to global rates. The number of subscriptions to broadband services over fixed telecommunication networks, including Digital Subscriber Line (DSL), fixed wireless connections, fiber optics, and other wired lines (1.9 million subscriptions), with an estimated prevalence of 33.7% at the level of houses at the end of 2018.
- The limited level of competition in the broadband access services markets via the fixed telecommunications network, as these markets were classified as being controlled according to the CITC's " Market Definition, Designation and Dominance Report in the Telecommunications Sector in the Kingdom" issued in 2017. Therefore, there are often no multiple options for users.
- Incompatibility of technical capabilities available in the subscriber's sites with the features of subscription packages for Internet services over fixed telecommunications networks, causing the failure to provide the required service and the difference between the speeds mentioned in the subscription packages advertisements and the actual speeds in the subscriber's sites.
- Service providers only provide information related to the highest speed of data transfer in subscription packages for Internet services over fixed telecommunications networks. As the data transfer speed of the subscriber is affected by several factors, such as location and techniques used in the access network and peripherals, it may be challenging to get the speeds stated in the packages on an ongoing basis.

- Provision of limited subscription packages for Internet services over fixed telecommunications networks reduces the available options that enable the users to subscribe to the appropriate packages compatible with the technical capabilities in their locations.
- The provision of subscription packages for Internet services over fixed telecommunication networks requires long period contracts, which makes it more difficult for the users to unsubscribe if they are dissatisfied with the service offered.

An overview of international practices

The CITC has conducted comprehensive international benchmarking studies to identify the relevant best international practices, including:

- **Quality of service requirements included in subscription contracts:**

Conditions relating to the quality of service that are included in the subscription contracts for broadband services over fixed telecommunication networks in a number of countries require the provision of information to subscribers on the speed of data transfer, including:

- Minimum download and upload speed.
- The maximum limit for download and upload speeds.
- The average expected speed at subscriber sites.

- **Methods and Mechanisms to verify the Quality of Service:**

The experiences of countries requiring service providers to ensure a minimum speed of data transfer over fixed telecommunications networks and mechanisms for verifying compliance with QoS and appropriate technical tools were reviewed to enable the CITC to select the implementation mechanism and to verify the mechanism's relevance.

The positive aspects of introducing regulations of the minimum Internet speed over fixed telecommunications networks

Based on the above, and given the need to improve the current status of Internet services over fixed telecommunications networks, there are many positive aspects that reinforce the CITC's proposals to develop regulation on Internet speed over fixed networks , including:

- Ensuring the provision of Internet services over fixed telecommunications networks at high quality and at reasonable prices.
- Creating a unified perception by subscribers and service providers of accepted QoS standards through setting minimum data transfer speeds over fixed telecommunications networks.
- Ensuring that service providers comply with QoS standards, as advertised in packages and offers for fixed-line Internet services.
- Ensuring the deployment of high-quality broadband services, and providing technical capabilities in subscriber locations.
- Protecting the interests of the subscribers and promoting transparency and clarity, and ensure the right of the subscribers to terminate subscription contracts due to a low level of quality of service.

The scope and objectives of public consultation

The purpose of this public consultation request is to provide an opportunity for stakeholders and the interested public to submit their views and comments on the draft of " Regulations of the minimum Internet speed over fixed telecommunications networks ".

This public consultation document and its appendices are available on the CITC's website (www.citc.gov.sa).



Submission of comments

The participants wishing to submit their views/comments on this document must submit them in writing and must be submitted to CITC no later than 25/09/1440 H, corresponding to 30/05/2019.

The views/comments on this document may be provided to one or more of the following addresses:

- By e-mail at (MIN-Speed@citic.gov.sa).
- Hand-delivered (paper and electronic) at the CITC premises , or by mail to:

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CITC invites participants to submit their views/comments on the "questions" numbered in the draft document of "Regulations of the minimum Internet speed over fixed telecommunications networks ". CITC encourages Participants to support their views with relevant justifications, analysis, data and information according to the current status or relevant local/international experience. Noting that what is presented in this regard is not binding to CITC. In general, CITC does not consider the responses and opinions on this document confidential.