

**Guidance Paper issued by the Telecommunications Regulatory
Authority in relation to the NRU Decision**



Purpose: To provide regulatory clarity on the acceptable use of NRU services and ensure compliance with the TRA's NRU Decision

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Introduction

The Network Right of Use (“**NRU**”) Decision (the “**Decision**”), issued by the TRA on 19 June 2024, in addition to approving the requested amendments to BNET’s Reference Offer established a regulatory framework governing the use of BNET’s NRU service. This decision is part of the Kingdom’s broader strategy to ensure world-leading fixed and mobile telecommunications services, maintain a level playing field among operators, and support fair competition in the market.

The NRU service was introduced to facilitate the transition of fiber assets from Other Licensed Operators to BNET as part of the Kingdom’s national broadband strategy. The NRU Decision amended BNET’s Reference Offer (“**RO**”) to formalize the terms under which NRU services are provided by BNET. The Decision aimed to ensure:

- The sustainability of the Kingdom’s broadband infrastructure;
- That operators who have transferred their fibre assets to BNET are not disadvantaged;
- That BNET remains a viable, investable entity capable of continuous network improvements; and
- The security and resilience of the Kingdom’s telecommunications infrastructure.

The Decision also introduced some limitations on the permitted use of the NRU. In this context, the Decision required that all new, amended, or renewed enterprise and direct fibre connections must utilize appropriate BNET RO products, effective 19 June 2024. The use of NRU services for enterprise fibre connectivity is explicitly excluded from the scope of the NRU framework and may be serviced through “appropriate BNET reference offer products”. However, existing services established prior to 19th June 2024 will be considered part of the NRU service until the contractual term of the service expires.

This guidance paper has been issued to provide regulatory clarity on the acceptable use of NRU services under the Decision. It establishes the TRA’s position on fixed and mobile services vis-à-vis the NRU, clarifies compliance obligations for Licensed Operators, and reinforces the principle of fair competition in the market.

Scope

This guidance paper discusses the acceptable use of NRU services pursuant to the Decision. In so doing it draws a distinction between fixed and mobile networks and between fixed and mobile services used for connectivity. The guidance paper applies to all Licensed Operators who procure NRU services from BNET and use the NRU to offer enterprise or direct connectivity services in the Kingdom. The Guidance Paper therefore serves to ensure alignment with the Decision to promote fair competition across the industry.

Acceptable use of the NRU service

The NRU service was introduced to enable affected Licensed Operators to transfer fibre assets to BNET while ensuring (amongst other things) that they maintain the necessary fibre capacity provided to enterprise customers, in order not to negatively impact the price or services. The NRU Service Description (as approved by the TRA) identifies three instances in which the NRU service may be utilized:

- i. Connection between Core Network Nodes;
- ii. Connection between the Access Seeker's network to a Cable Landing Station or to International Gateways; and
- iii. Operation of the Access Seeker's Mobile Backhaul.

The TRA is aware that in some circumstances operators have provided fixed services using cabling from a mobile radio base station (e.g. a PRS or DAS system). Where such an extension may have been used to provide a service before the NRU, the NRU decision effectively prohibits the renewal or establishment of new such connections to enterprises from 19th June 2024.

It is possible to provide enterprise services under the terms of a mobile license as opposed to a national fixed license but to be a service under a mobile licence it must meet the licence conditions.

To qualify as a mobile service the customer must have services provided by using radiocommunications that uses approved international mobile telecommunications that meet the approved standards¹ and allows for intercell handover capability.²

Services to fixed locations using other technologies would be considered as being provided under a national fixed licence.

The fact that the NRU service cannot be utilized for fixed telecommunications services ensures that all operators have equal access to infrastructure, preventing operators from leveraging NRU for enterprise connections while others must rely on appropriate BNET products. Allowing NRU for direct fibre connections would unduly distort competition, as only some operators would benefit while others would be forced to utilize BNET RO products.

The TRA emphasizes that Licensed Operators must strictly comply with the provisions of the Decision. Any attempt to use the NRU service for services that do not fall under any of the three permitted uses identified in the Decision will be addressed accordingly.

¹ Section 2 of the IMTL defines a mobile telecommunication service as: “any basic data service or basic voice service ... provided by means of mobile radiocommunications, which uses technologies that are approved by the Authority in order to provide International Mobile Telecommunications...”

² Section 2 of the NFL specifically excludes the following from the national fixed telecommunications network: “...network equipment supporting cellular technology and which provides inter-cell handover...”