



TELECOMMUNICATIONS REGULATORY AUTHORITY
SULTANATE OF OMAN

PUBLIC CONSULTATION ON:

TRA REGULATORY SANDBOX



Telecommunications Regulatory Authority

P.O. Box 3555, P.C. 111

TRA Premises at Seeb Airport Heights Opposite Muscat International Airport

Muscat, Sultanate of Oman

Legal Disclaimer:

This Consultation is not a binding legal document and also does not contain legal, commercial, financial, technical or other advice. The Telecommunications Regulatory Authority is not bound by it, nor does it necessarily set out the Authority's final or definitive position on particular matters.

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PART 1: INSTRUCTIONS FOR SUBMITTING A RESPONSE

1. The Telecommunications Regulatory Authority (the “Authority”) invites all relevant parties to submit written comments with regard to the issues addressed in the consultation document. This consultation is open for relevant stakeholders invited by the TRA to submit their comments.
1. The Authority particularly welcomes comments and responses to the specific numbered questions set out in the “**Public Consultation on TRA Regulatory Sandbox**” supported by appropriate substantiation.
2. Responses should be sent to the Authority preferably by email (PDF format) or post (Comments submitted in printed format, especially by post, must be accompanied by ELECTRONIC COPY containing the same comments in electronic format) to the attention of:

Telecommunications Regulatory Authority
P.O. Box: 3555
PC: 111, Seeb
Sultanate of Oman
Email: telecomlicense@tra.gov.om

4. Responses should include:
 - a. The name of the company/institution/association etc.;
 - b. The name of the principal contact person;
 - c. Full contact details (physical address, telephone number and e-mail address); and
 - d. In the case of responses from individual consumers, name and contact details.
5. Format of comments:
 - a) In providing their comments, interested parties are kindly requested to use the following template. In particular, any comment should clearly specify the numbered questions it is referring to and indicate any attachment relevant to the specific comment.

[Name of the company/institution/association]	{Name of principal person, and position} contact	[Contact information i.e. email address, telephone number, fax number, postal address etc.]
[Enter number of question] Example: Q1	[Enter here the exact wording of the question referred to]	
Comment	[Enter here your comment on the question referred to above]	
Substantiation	[Enter here the substantiation in support of your comment]	
Attachment	[Enter here number and title of any attached document relevant to your comment]	

- b) The Authority expects the comments to follow the same order as the one set in the “**Public Consultation on TRA Regulatory Sandbox**” and summarized in the list of questions.
- c) The Authority also invites respondents to substantiate their responses. Any response submitted without any substantiation may not be considered. In case of disagreement with one of the approaches proposed by the Authority, the respondent is invited to provide an alternative to such approach together with detailed justifications.
- d) The Authority reserves the right to publish all submissions received. The Authority will evaluate a request for confidentiality in line with relevant legal provisions.
- e) Respondents are required to mark clearly any information included in their submission that is considered confidential. Where such confidential information is included, respondents are required to provide both a confidential and a non-confidential version of their submission (soft copies and not scanned copies). If a part or a whole submission is marked confidential, reasons should be provided. The Authority may publish or refrain from publishing any document or submission at its sole discretion.

PART 2: THE CONSULTATION

1.0 Introduction

A sandbox is defined as “safe house” where pilots of specified types of innovative products and services can take place. Sandboxes allow businesses to test innovative products, services, business models and delivery mechanisms in a live environment, without having to immediately comply with all regulatory requirements.

This framework is not an exhaustive source of the TRA’s resources on the exercise of its statutory powers and discretions. In the discharge of its regulatory mandate, the TRA may impose other parameters to address any specific risks posed by the proposed activities of the applicant requesting to run applications or services within the sandbox.

2.0 Scope

- 2.1. The TRA intends to allow the telecommunications technology, applications, or services to be tested in coordinated, coherent, secure and safe manner.
- 2.2. This document defines the authority's position on the measures necessary to protect telecommunications services in the Sultanate from any challenges imposed by the sandbox environment.
- 2.3. This framework is applicable to all entities or individuals concerns to test services related to telecommunications technology, applications, or services directly.
- 2.4. These rules applicable to all **telecommunication** technology, applications, or services directly, which are subject to TRA approval.

2.0 General Rules

- 2.5. The regulatory sandbox is open to any company, technology firm, or individuals who aspire to introduce innovation in the telecommunications market in the Sultanate.
- 2.6. The regulatory sandbox seeks to provide the applicant with:
 - 2.6.1. The ability to test products and services in a controlled environment
 - 2.6.2. Reduced time-to-market at potentially lower cost

- 2.6.3. Support in identifying appropriate consumer protection safeguards to build into new products and services
- 2.7. The TRA closely oversee the development and implementation of tests, for example by working with firms to agree customized consumer safeguards.
- 2.8. Regulatory Sandbox tests are expected to have a clear objective (e.g. reducing costs to consumers) and to be conducted on a small scale. Companies will test their innovation for limited duration with a limited number of customers.
- 2.9. Telecom services has to be provided commercially by a licensee, and TRA approval to test any telecom service does not mean in all cases that such entity can offer the service after the successful test without obtaining the proper license.
- 2.10. The applicant shall not cause harmful interference to the other licensed services under TRA rules and shall not request for protection.
- 2.11. The applicant shall do their own due diligence regarding rules of other entities.
- 2.12. The TRA have a tailored permission process for applicants accepted into the sandbox. Any permission will be restricted to allow applicants to test only their ideas as agreed with TRA. This should make it easier for applicants to meet TRA requirements and reduce the cost and time to get the test up and running.

3.0 Informal steers

- 3.1. The TRA may provide informal steers on potential regulatory implications of an innovative product or business model that is at an early stage of development.

4.0 Waivers or modifications to our rules

- 4.1. The TRA shall be able to waive or modify an excessively burdensome rule, for the purpose of the test.

5.0 Validity period

- 5.1. The permission granted under the regulatory sandbox will have a validity period of up to **12 months** for the applicant to test its technology solution¹.
- 5.2. At the end of the validity period, the applicant will stop testing his product/service.
- 5.3. The approval of product/services for testing under regulatory sandbox does not mean (or guarantee) approval from TRA to use this product/service after the testing period.

6.0 Requirements

- 6.1. In order to become permitted under the regulatory sandbox, the applicant must also demonstrate to the satisfaction of the TRA that it, including but not limited to the following:
 - 6.1.1. The applicant has adequate and appropriate resources, including financial resources, to develop and test its technology proposal;
 - 6.1.2. The applicant is registered as a company or business in the Sultanate;
 - 6.1.3. The applicant has relevant technical and business knowledge and experience to develop and test the technology proposal;
 - 6.1.4. Is able to clearly define the technology proposal's test parameters, control boundaries, location of the testing, key milestones and intended outcomes;
 - 6.1.5. Is able to propose an acceptable reporting schedule to report to the TRA on the status and progress of development and testing of its technology proposal;
 - 6.1.6. Is able to satisfactorily detail the safeguards that have been put in place, and demonstrate how they are appropriate to the technology proposal being tested, the risks that are posed and the type of customers that are likely to be affected by the proposed innovation;
 - 6.1.7. Is able to set out a fair and proper exit strategy for beneficiaries should the technology proposal be discontinued, completed or deployed on a broader scale outside the Regulatory Sandbox; and
 - 6.1.8. Is able to satisfy all applicable regulations, rules, conditions and/or limitations that the TRA may prescribe.

¹ The test period varies according to the application. The validity period will be specified in the permission letter.

7.0 Cancellation of the Permission

7.1. TRA may cancel the permission, if it appears that:

- 7.1.1. The permitted entity is failing, or is likely to fail, to satisfy the conditions established above; that guarantee qualification to the Regulatory Sandbox;
- 7.1.2. The permitted entity has committed a contravention of the TRA regulations or any rules, guidelines, or standard made by TRA.
- 7.1.3. The conducted test is in conflict with the exigencies of the public interest.

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ANNEX I

Eligibility Criteria

The application form includes space for the applicant to explain how the applicant proposition meets our eligibility criteria. The table below includes information on each criteria:

Criteria	Key questions	Positive indicators	Negative indicators
In scope	Are the applicant looking to deliver innovation that is either regulated services or supports regulated service in the Sultanate Telecommunication services market?	Innovation appears to be intended for the Sultanate market	Innovation does not appear to be intended for use in the Sultanate
Genuine innovation	Is the proposed innovation new or a significantly different offering in the marketplace?	<ul style="list-style-type: none"> • Desk research produces few or no comparable offerings already established on the market • Step-change in scale 	<ul style="list-style-type: none"> • There are numerous examples of similar offerings already established on the market • It looks like artificial product differentiation
Consumer benefit	Does the innovation offer a good prospect of identifiable benefit to consumers (either directly or via heightened competition)?	<ul style="list-style-type: none"> • The innovation is likely to lead to a better deal for consumers directly or indirectly • The applicant have identified any possible consumer risks and proposed mitigation • The innovation will promote effective competition 	<ul style="list-style-type: none"> • Likely detrimental impact on consumers, Telecom markets • It looks designed to circumvent regulations

<p>Need for a sandbox</p>	<p>Is there a genuine need to test the innovation in TRA sandbox? Applicants aren't required to need a sandbox tool to meet this criteria</p>	<ul style="list-style-type: none"> • The innovation does not easily fit the existing regulatory framework, making it difficult or costly to get the innovation to market • The applicant will benefit from using a sandbox tool to test in a live environment • The applicant have no alternative means of engaging with the TRA or achieving the testing objective • The full Permission process would be too costly/difficult for a short viability test 	<ul style="list-style-type: none"> • Live testing is not necessary to answer the question that the applicant want answered (to achieve the testing objective) • the applicant are able to undertake the test easily without the support of the TRA • A dedicated supervisor or TRA support team could answer the query
<p>Ready for testing</p>	<p>Are the applicant ready to test the innovation in the real market with real consumers?</p>	<ul style="list-style-type: none"> • the applicant have a well-developed testing plan with clear objectives, parameters and success criteria • Some testing has been conducted to date • the applicant have the resources to test in the sandbox • the applicant have sufficient safeguards in place to protect consumers and is able to provide appropriate redress if required 	<ul style="list-style-type: none"> • Unclear objectives for testing and/or plans for testing are underdeveloped • Little to no testing has been done • the applicant do not have the resources for the test • The proposed customer safeguards are inadequate and/or appropriate redress cannot be provided

Table (1) Eligibility Criteria