

## **INTERNET BUSINESS IN JORDAN**

### **Preface**

Global One Communications was the first to launch Internet services in Jordan in April 1996. At present, Internet Services are provided by multiple licensees, generally designated the ISPs. There are 10 operational ISPs sharing the market, with a narrow customer base, 35,000 accounts.

The roles of Jordan Telecom (JT) which is the incumbent PSTN operator, and the ISPs, in delivering Internet services in Jordan are as described below: -

#### ***1) Jordan Telecom***

Jordan Telecom was privatized in early 2000, after France Telecom led a consortium and purchased a 40% stake of the Company.

By virtue of its fixed network license, Jordan Telecom has the sole and exclusive right in Jordan to operate a Public Switched Voice Service and the Public Telecommunications Transport Network. JT has been offering network access to all the ISPs which comprises; analogue telephone lines, ISDN PRIs, dedicated leased lines, traffic collection via POPs and IP international connectivity. As for the Internet end users, they are connected to the respective ISPs in three different ways: dial up connections, ADSLs or leased lines.

After privatization in the beginning of 2000, partnering with France Telecom, the Company was committed to a timed action plan which has been successfully implemented to facilitate Internet services in Jordan.

A key element of the plan was the establishment of an advanced Data and IP network, whereby the ISPs can connect through various POPs across the Kingdom. As of 22 April of this year, Internet dial-up access has been facilitated at a higher quality and lower price. Dial-up users are charged 20% less than local call rate. This relieved those living in remote areas from paying a national call rate, which is 4 times the local rate.

Moreover, JT secured reliable broadband media and dramatically cut the cost of IP international connectivity to support the ISPs business. In addition, a global progressive discount scheme was applied, based on the annual value of the service bill.

Prices of Jordan Telecom services are governed by the fixed network license. Tariffs have to be always approved by the Telecommunications Regulatory Commission (TRC) before they take effect. ISPs, who do have Points of Presence (POP), are assigned a single Internet Prefix that provides local call charging nationwide. Otherwise, Internet remote users have to pay long distance charges.

**ii) ISPs**

Within the scope of their license, which is a data class license, the ISPs provide Internet access which is the core of their business.

The data license does not authorize the ISP to provide any real-time voice service. It does not also authorize him to install, operate or manage any transmission facilities, including satellite earth stations. Price(s) of the Internet services may be subject to regulation by the TRC.

In Jordan, NETS and FirstNet ISPs merged to allow Batelco Middle East to own 51% of the merged company. Jordan Telecom also entered the ISP market by acquiring Global One.

**Future Outlook**

Jordan Telecom will start integrating the operations of its Subsidiary company, Global One, with those of its own data network. Jordan Telecom intends to accelerate deployment of broadband and multimedia services across the Kingdom. It started recently to offer ADSL broadband services.

**Note:**

Please refer to the attached appendix that contains required information.

Appendix

## **Data for Arab Region Internet & Telecom Summit**

### **JORDAN**

#### **1) The estimated number of Internet subscribers and users**

Subscribers = 35,000

Users = 105,000

#### **2) Estimation of the user base, in percentage:**

Academic/Research	: 30,000
Commercial (Business)	: 60,000
Non Governmental Organization NGO/ non-profit	: 5,000
Government	: 5,000
International Organizations (i.e. UN, World Bank, etc.)	: 5,000
Other	: 20,000

#### **3) The number of ISPs**

The number of licensed ISPs is 25, out of which 10 are currently operational.

#### **4) The amount of international bandwidth available for Internet (in and out of the country)**

The available international bandwidth is 45 but soon will be upgraded to 155 Mbps on submarine cable backed up by 24 Mbps/b via satellite. Domestically, the backbone network accommodates STM4 fiber optical ring.

#### **5) Background information on regulatory issues such as competition in ISP market, IP telephony, etc.**

Open market clean type. Internet Service provisioning should be licensed by the Regulator. IP telephony is legally banned in Jordan

#### **6) Universal Access issues such as public access points) e.g., telecenters, cyber cafes, etc.), tariffs, etc.**

Not yet available