

Islamic Republic of Iran

The Islamic Republic of Iran has one of the smaller mobile penetration markets in the region at 72.3% with only the Syrian Arab Republic at 57.7% being smaller. However, there are still over 54 million mobile subscribers in the country. Fixed broadband has amazingly low penetration with only 0.7% of the population and an absolute volume of 1.7 million.

TELECOMMUNICATIONS MARKET

In February 2004, Ministry of Communications and Information Technology (MCIT) announced that the Irancell consortium was the winner of the tender for the second mobile operator. Irancell network was officially launched on October 21st, 2006 in Tehran, Tabriz, and Mashhad. Since launching, Irancell has sold about 60m sim-cards.

Indicator ⁵²	Measurement	Value
Computers in Households	Per 100	n/a
Internet Users	Per 100	37.2
Fixed Lines	Per 100	36.3
Fixed Broadband	Per 100	0.7
Mobile Subscriptions	Per 100	72.3
Mobile Broadband	Per 100	n/a
International Bandwidth	Per 100	n/a

In November 2011, the FARS news agency reported⁵³ that the Iranian government awarded a third license to Tamin Telecom in October 2009. However, the operator did not start service until late 2011. This operator announced plans to cover 60 % of the population with its 2G network and 40 % with its 3G network by 2014. Rightel only started its activities in late 2011 because of international sanctions, and it is the first operator in Iran to provide 3G technology. Rightel started its pre-sell of 3G SIM-cards from February 8th, 2012, in Tehran.

52 www.worldbank.org & <http://en.cra.ir/portal/File/ShowFile.aspx?ID=ae0bc516-e389-48a5-9c51-094d667c3f86>

53 <http://english.farsnews.com/newstext.php?nn=9007274839> (accessed 11 June 2012)

QUICK FACTS IRAN

Land Area: 1,628,550 sq km
Population: 74.0 million (2010)
GNI per capita, PPP \$11,490 (WB, 2009)

TLD: .ir
Fixed Telephones: 26.4 million (2011)
GSM Telephones: 54.2 million (2011)
Fixed Broadband: 1.7 million (2011)
Internet Users: 27.5 million (2010)



A fourth operator (based on 4G) will start its activities as soon (Hamrah Aval (First and the biggest operator in Iran) decided to buy Spadan and Talyia Operators's stocks - According to some gossips and a SMS from Irancell in some days ago, it has sold about 68 million SIM-cards

IRNA (Islamic Republic News Agency) says 61.7% of Iranians use mobiles and 37% have access to internet Fars News Agency has reported that only 9% of Iranian's use mobile internet, whereas there are more than 100 million SMS sent per day.

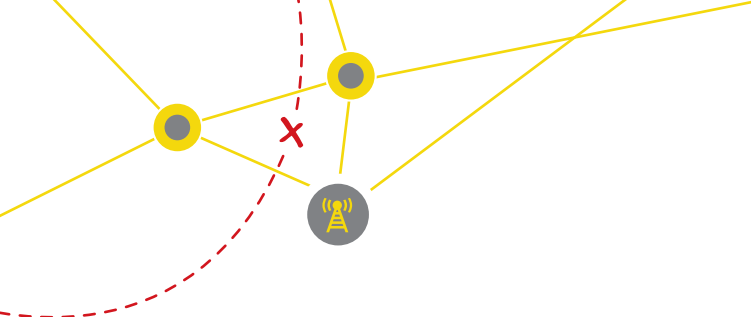
ZTE Corp, China's second-largest telecommunications equipment maker, stated that it will "curtail" its business in Iran following a report indicating that it had sold Iran's largest telecom firm a powerful surveillance system capable of monitoring telephone and internet

communications. Reuters reported March 2012⁵⁴ that Shenzhen-based ZTE had signed a €98.6 million contract with the Telecommunication Co of Iran in December 2010 that included the surveillance system. ZTE is publicly traded, but its largest shareholder is a Chinese state-owned enterprise. It says it sells equipment in more than 140 countries and reported annual revenue of \$10.6 billion in 2010. In May 2012, Reuters further reported that Department of Commerce started investigating Chinese telecommunications equipment maker ZTE Corp for allegedly selling embargoed U.S. computer products to Iran.

Operator	Mobile Communication Company of Iran (MCI)	IranCell Telecommunication Services	Tamin Shams Novin Telecommunication Co.	Taliya	Isfahan Mobile Share	Kish Mobile
Brands						
Survey Respondents						
Subscribers	34.6m	20.18m	n/a	0.2m	0.03m	0.02
Mobile Internet Users	9.5m	n/a	n/a	n/a	n/a	n/a
Ownership	Iran	51% Iran/49% MTN South Africa		Iran	Malaysia/Iran	

Pricing Analysis (\$US)	Iran	AllCountriesSurveyed	
		Rank by Cheapest	Median Price
PRE-PAID Package Pricing			
Monthly Package Cost			
Cost per Minute National Call (First 3 Min)	0.07	5	0.09
Price for Data Traffic (Price per MB)	0.29	11	0.05
Price for One Text Message	0.01	1	0.02
POST-PAID Package Pricing			
Monthly Package Cost		1	7.53
Cost per Minute National Call (first 3 min)	0.05	5	0.06
Price for Data Traffic (Price per MB)	0.45	10	0.04
Price for One Text Message	0.01	2	0.03

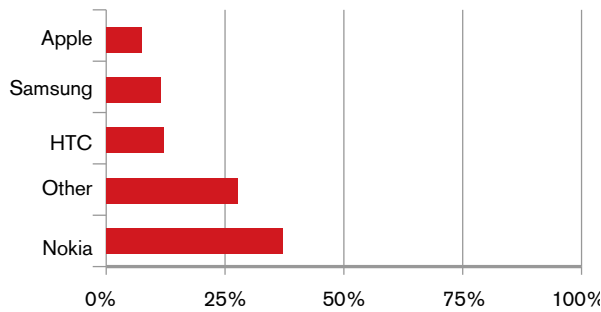
54 <http://www.reuters.com/article/2012/03/23/iran-telecoms-zte-idUSL3E8EN53W20120323> (accessed 11 June 2012)



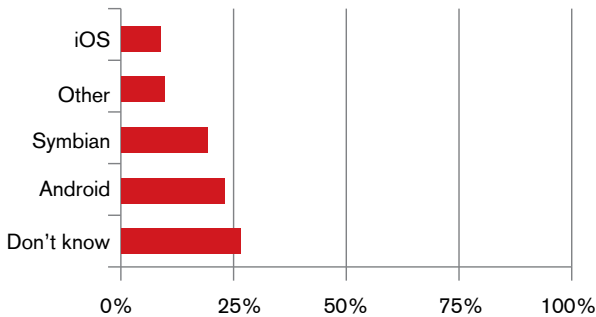
INTERNET ACCESS

Over 55% of respondents used mobile internet and over 39% do not use mobile internet. 33% of these mobile internet users used WiFi to access the internet with 27% paying for a limited volume of data with their subscription and a further 18% paying for usage. Almost 19% indicated they had no access to the internet using their mobile handsets. Almost 42% owned a smartphone and only 6% had “jailbroken” their phone but over 30% had updated the firmware on their phone.

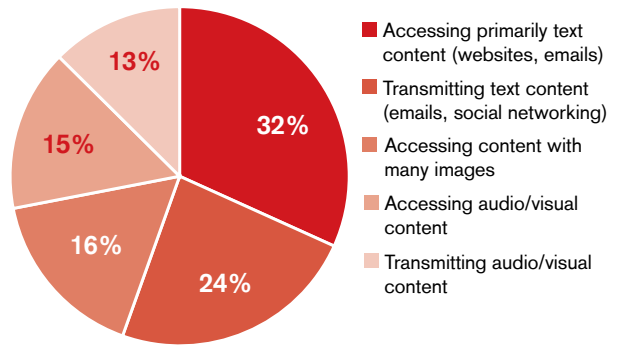
TOP 5 HANDSET MANUFACTURER



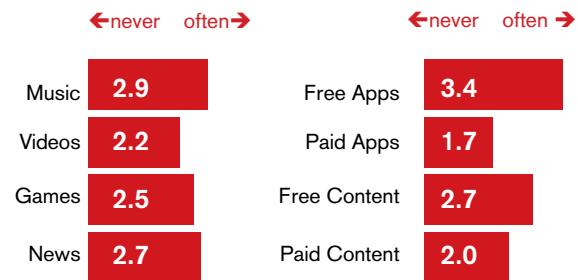
TOP 5 MOBILE OPERATING SYSTEM IN USE



USE OF THE INTERNET 2012 (IN COUNTRY SURVEY)



TYPES OF MOBILE DOWNLOADS INCLUDING CONTENT (LEFT) AND TYPES OF APPS (RIGHT)

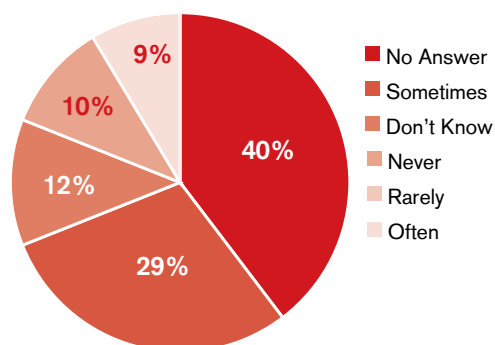


CENSORSHIP AND CIRCUMVENTION

At a news conference⁵⁵ on December 28, 2011—the day for registering candidates for the March 2012 parliamentary elections—Abdosamad Khoramabadi, the Prosecutor-General’s legal adviser, unveiled “a list of 25 election-related internet crimes.” Among the contents deemed “criminal” were calling for an election boycott and the publication of counter-revolutionary or opposition logos or website contents.

55 http://march12.rsf.org/i/Report_EnemiesoftheInternet_2012.pdf Pg25 (last accessed 11 June 2012)

HOW OFTEN DO YOU ENCOUNTER BLOCKED WEBSITES? (IN COUNTRY SURVEY)



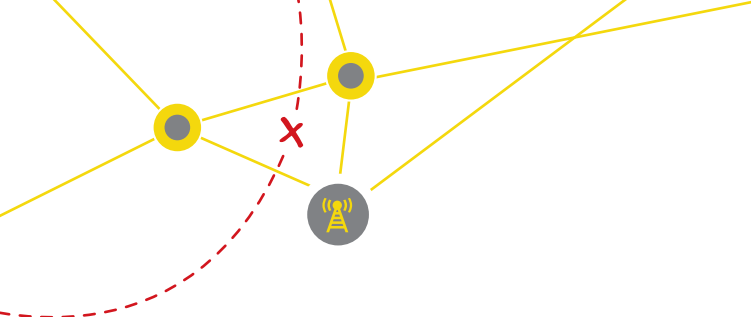
empowered to identify sites that carry forbidden content and report that information to TCI and other major ISPs for blocking⁵⁶. The committee is headed by the prosecutor general and operates under the supervision of that office.

Under the new 20-point regulations for cybercafés, published by the Iranian internet Police on December 28, 2011, clients are required to produce an ID. Managers must install cameras on the premises and keep the camera recordings, along with all the details of their clients and a list of the websites they visited. The use of software to circumvent content filtering, Virtual Private Networks (VPNs), and USB flash drives is banned. After raiding 43 cybercafés in Birjand (in the southern province of Khorasan), the police closed six of them for “non-compliance with security measures and the use of censorship circumvention software.”

Reza Rahimi (Iranian Parliament member) stated that Irancell's SIM-Cards were the main cause of post-election protests, because those active without submitting any form of ID. Protesters used them to inform others about the time and location of strike & protest. - Mostafa Tabatabaei Nejad (Iranian Parliament member) said: “Operators must use a system for tracing who called ‘Prank Calls.’ “He went on to say that this usually occurred among Irancell’s subscribers. Taghipour (the Iranian minister of communication) said that all Iranian data centers should transfer their servers from overseas to Iran.

According to this law, the Committee in Charge of Determining Unauthorized Websites is legally

⁵⁶ http://www.freedomhouse.org/sites/default/files/inline_images/Iran_FOTN2011.pdf pg 4 (last accessed 11 June 2012)



SAMPLE PHONE BRANDS IN USE⁵⁷

Phone	C7	701	Xperia ray	Sensation	Xperia Arc
Manu	Nokia	Nokia	Sony Ericsson	HTC	Sony Ericsson
Released	October 2010	September 2011	August 2011	May 2011	March 2011
					
Data	GPRS/EDGE C32	GPRS/EDGE C33	GPRS/EDGE	GPRS/EDGE	GPRS/EDGE
Bluetooth	V3.0 with A2DP	V3.0 with A2DP	V2.1 with A2DP	V3.0 with A2DP	v2.1 with A2DP
Features	Accelerometer, Proximity, Compass	Accelerometer, Proximity, Compass	Accelerometer, Proximity, Compass	Accelerometer, Gyro, Proximity, Compass	Accelerometer, Proximity, Compass
Internet	Yes	Yes	Yes	Yes	Yes
OS	Symbian 3 OS upg to Nokia Belle OS	Symbian Belle upg Belle FP1	Android OS 2.3 – upg to v4.0	Android v2.3.4 upg to v4.x	Android 2.3 upg v4.0
GPS	GPS-A	GPS-A	GPS-A	GPS-A	GPS-A
Camera	8MP (gps)	8MP (gps)	8 MP	8 MP	8 MP
WiFi	b/g/n	b/g/n	b/g/n/DLNA/hotspot	b/g/n/DLNA/hotspot	b/g/n/DLNA/hotspot

CONCLUSION

Regulation of the Iranian mobile market is very sophisticated and there is significant state ownership of the mobile operators, with external involvement from organizations in South Africa and Malaysia. Market penetration has not kept pace with other countries in the region but there is still a relatively large number of subscribers.

FURTHER INFORMATION

Islamic Republic News Agency (irna) - www.irna.ir
 Statistical Center of Iran 2006 - amar.sci.org.ir/index_e.aspx
 Ministry of Information and Communication Technology (MICT) - No accessible website
 Communications Regulatory Authority (CRA) www.cra.ir

Iranian Research and Academic Network – www.iranet.ir
 IRAN-GRID Certificate Authority – cagrid.ipm.ac.ir

Iran Telecommunication Company – www.mci.ir
 Irancell Telecommunication Services – www.irancell.ir
 Tamin Shams Novin Telecommunication Co. - www.rightel.ir
 Taliya - www.taliya.ir
 Isfahan Mobile Share – www.mtce.ir
 Kish Mobile - www.tkckish.ir

⁵⁷ Data and images from www.gsmarena.com