



CIT

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Middle Eastern Promise?

The Middle East is a region of extremes. The United Arab Emirates boasts the highest GDP per capita of the region - which at USD16,800 is on a par with most western European countries - yet just a few hundred miles away Yemen reports an average GDP figure of only USD304. Quite apart from political, cultural, financial and racial differences, it is little surprise that the countries which make up the Middle East have some of the most diverse telecommunications industries anywhere in the world. The markets range from Yemen's woefully underdeveloped infrastructure - just 1.4 main lines per 100 inhabitants - to Israel and Cyprus' state-of-the art fixed line networks which boast penetration rates similar to those in Western Europe. Similarly the development of mobile markets varies enormously. Turkey boasts almost eight million cellular subscribers, and is home to one of the fastest growing markets in the world, while Israel has also embraced the mobile revolution with a penetration of 47%. Elsewhere, however, mobile services have been slower to catch on; Syria has yet to launch a commercial network, while services in Palestine, Cyprus and Yemen have so far failed to see any significant surge in demand.

Top 10 Middle Eastern mobile markets ranked by subscriber base

Country	Subscribers (end 1999)	Penetration
1. Turkey	7,871,500	12% (6)
2. Israel	2,813,000	47% (1)
3. Egypt	890,000	1.4% (9)
4. UAE	820,000	3.5% (8)
5. Saudi Arabia	790,000*	3.7% (7)
6. Lebanon	646,000	18.1% (4)
7. Iran	364,250	0.5% (10)
8. Kuwait	345,000	15.1% (5)
9. Cyprus	152,653	19.5% (3)
10. Bahrain	138,000	20.7% (2)

* end September 1999 figure