

## **INTRODUCTION**

The Universal Service Fund, Under Section 42 of the Telecommunication Act of 2001, has been established and is fully functional. The Fund is managed by the Commission which will collect, disburse and make relevant decisions with regards to the proper and effective management of the Fund.

## **WHAT IS THE UNIVERSAL SERVICE FUND?**

The Universal Service Fund is a fund to be used by the Commission, to compensate any Telecommunication provider who is required to provide Universal Service or to promote Universal Service.

Universal Service includes the provision of:

- (a) Public voice telephony.
- (b) Internet access.
- (c) Telecommunication services to schools, hospitals and similar institutions and the physically challenged.
- (d) Other services by which people access efficient, affordable and modern telecommunications.

The Fund will encourage efficient access to, and use of the telecommunication networks and services throughout St Vincent and the Grenadines, with special focus on rural, under- served and maritime areas, with a goal to help promote social, educational and economic development.

The Fund will also ensure the reasonable availability and affordability of basic and advanced telecommunications services, where commercial telecommunications market may be unable to deliver such services in a financially viable manner independently, and also to the physically challenged, elderly and indigent communities.

The Fund will finally provide support for the introduction and expansion of telecommunications services to schools, health facilities and other organizations serving public needs.

## **WHO CONTRIBUTES TO THE UNIVERSAL SERVICE FUND?**

As set forth in the Telecommunications (Universal Service Fund Contribution) Order, all Telecommunications providers shall contribute to the Universal Service Fund. Due dates for payments of these contributions as set forth in Section 5 of the Contribution Order 2008, states that within 45 days of the reporting year, the Contributor must pay and provide supporting documents used in the calculations. Parliament may also appropriate funds for use by the Fund. Grants and donations may also be made to the Fund by individuals or legal entities.

## **MANAGEMENT OF THE FUND**

As of the 16<sup>th</sup> September 2008, the Telecommunications (Universal Service Fund) Regulations 2008 were gazetted and came into operation. The aim of these Regulations is to provide for the efficient and effective management of the Universal Service Fund. The Regulations govern the way in which the Fund is ran and managed. Along with these Regulations, there is the Universal Service Guidelines which, under Section 7 of the Telecommunication (Universal Service Fund) Regulations, have been issued and implemented for the proper operation of the fund. These Guidelines are an indication of policy and procedure that must be followed in the operation of the Fund.

The Universal Service Fund will play an integral role in the development and technological innovation of the telecommunications sector and the country as a whole. With the fast pace of the global telecommunications sector, the Universal Service Fund will not only put St Vincent and the Grenadines on the right track, but will boost the current position of the country in the arena of telecommunications and Universal Service.