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1 INTRODUCTION

The National Telecommunications Regulatory Commission (NTRC) of St. Vincent and the Grenadines was established by the Telecommunications Act (Cap 418) of the Revised Laws of St. Vincent and the Grenadines 2009 to efficiently regulate the telecommunications sector in collaboration with the Eastern Caribbean Telecommunications Authority (ECTEL). The NTRC was also mandated to manage the Universal Service Fund (USF).

1.1 WHAT IS THE UNIVERSAL SERVICE FUND?

The Universal Service Fund (USF) was established under Section 42 of the Telecommunications Act (Cap 418) of the Revised Laws of St. Vincent and the Grenadines in 2009. The Fund was set up to compensate any telecommunications provider who is required to provide or to promote Universal Service. Universal Services include: Public voice telephony, Internet access, telecommunication services to schools, hospitals and similar institutions, and to the physically challenged. The USF encourages efficient access to, and the use of telecommunication networks and services throughout St. Vincent and the Grenadines, with special focus on rural, underserved and maritime areas. The provision of Universal Service will provide social, educational and economic development for our nation.

The Fund will be used to ensure the reasonable availability and affordability of basic and advanced telecommunication services, where commercial telecommunication markets may be unable to deliver such services in a financially viable manner independently.

The USF is mainly funded by annual payments made by telecommunication providers. The Fund may also receive income from appropriations made by Parliament and official grants, donations, bequests or other contributions if the NTRC considers it consistent with the best interest of the Fund. The annual payment received from telecommunication providers is calculated as a percentage of their gross annual revenue considering the number of years in operation. This payment structure range from 0.25% of gross revenue for the first year of operation, 0.5% of gross revenue for the second year, 1% for the third year, 1.5% for the fourth year, 1.75% for the fifth year and 2 % for the sixth and each subsequent year of its operation.

1.2 REGULATORY INSTRUMENTS OF THE USF

There are several regulatory instruments that govern the Universal Service Fund. They are as follows:

1.2.1 Telecommunications (Universal Service Fund Contribution Order) Regulations S.R.O. #4 of 2017.

This was gazetted in January 2017. This revised Order sets out the method for the calculation of annual payments and the deadline by when they are to be paid. This document is accessible by the below link:

http://www.ntrc.vc/regulations/USF_contribution_order.pdf

1.2.2 Telecommunications (Universal Service Fund) Regulations (Universal Service Fund) Regulations (Cap 418) of the Revised Laws of St. Vincent and the Grenadines 2009

The Regulations were gazetted on September 16, 2008 and the aim of these regulations is to provide a broad framework for the efficient and effective management of the Fund. This document is accessible by the below link:

http://www.ntrc.vc/regulations/Universal_Service_Fund_regulations_1.pdf

1.2.3 Telecommunications (Universal Service Fund) Guidelines 2009

This document outlines specific procedures and policies for the management of the USF in St. Vincent and the Grenadines. It also outlines the basis for the development and use of the Guidelines derived from the Telecommunications (Universal Service Fund) Regulations. This document is accessible by the below link:

http://www.ntrc.vc/usf/USF_guidelines.pdf

1.3 TELECOMMUNICATIONS ACT 2009

Section 42 of this Act mandates the establishment of the USF. This document is accessible by the below link:

http://www.ntrc.vc/regulations/telecom_act_2001_SRO_NO_1.pdf

1.4 USF OPERATING PLAN

The USF Operating Plan is a policy document which outlines the priority objectives of the USF within St. Vincent and the Grenadines on an annual basis. This document summarizes the state of development for telecommunications in the country, and it sets forth the broad objectives, targets and types of projects that the Fund may seek to promote during the year. It also provides a financial status of the fund to stakeholders.

1.5 USF BUDGET

Revenue

For the year ended December 31, 2018, the Universal Service Fund projected to receive a total of One Million, Seven Hundred and Thirteen Thousand, and Two Hundred and Fifty Two Dollars (\$1,713,252) from telecommunications service providers, interest of Fifteen Thousand Dollars (\$15,000) and other income of Sixty Two Thousand Dollars (\$62,000). The total actual revenue received by the Universal Service Fund in 2018 was One Million, Eight Hundred and Forty One Thousand Six Hundred and Forty Dollars (\$1,841,640).

Expenditure

Recurrent:

For the year ended December 31, 2018, the USF projected to spend Four Hundred and Eight Thousand, Three Hundred and Forty Dollars (\$408,340) on recurrent expenditure. However, Three Hundred and Sixty Five Thousand, Two Hundred and Forty Five Dollars (\$365,245) was actually spent as there were changes to schedules which resulted in some costs being avoided.

Projects:

For the year ended December 31, 2018, One Million, Nine Hundred and Eighty Five Thousand, Eight Hundred and Thirty Six Dollars (\$1,985,836) was projected to be expended on projects. However, Four Hundred and Sixty Four Thousand, Two Hundred and Ninety Four Dollars (\$464,294) was actually spent. Some payments have been deferred to 2019 as new contracts

were not implemented for projects retendered and there were quality issues to be addressed with the service delivery.

Figure 1

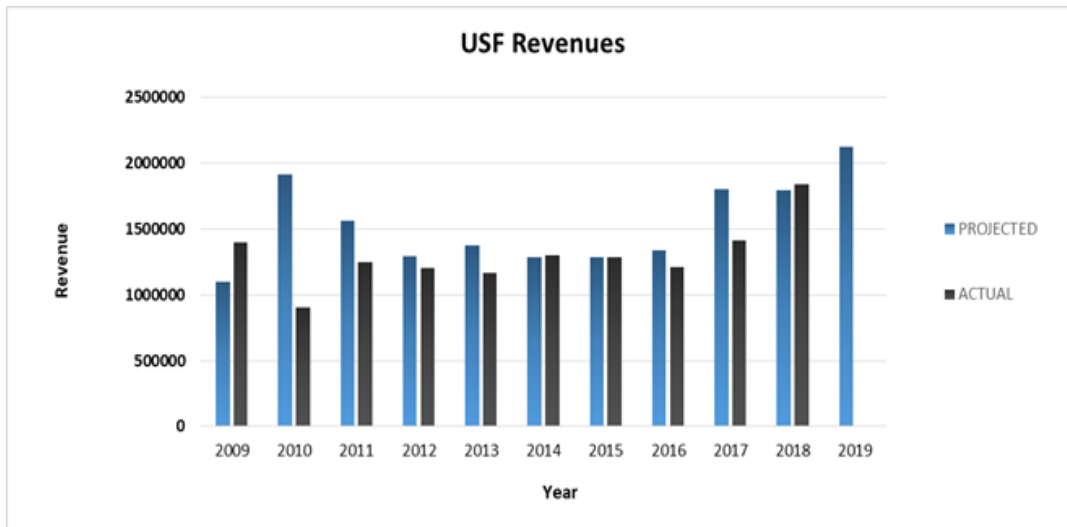


Fig 1. USF Projected and Actual Revenue (Source: NTRC Annual Report 2018)

2 TELECOMMUNICATIONS IN ST. VINCENT AND THE GRENADINES

From the centrally managed cloud dashboard for 322 wireless access points at 125 locations nationwide implemented under various projects of the Universal Service Fund which is managed by the NTRC, it was noted that for the year 2018, a total of 280.63 Terabytes of data was consumed by 235,495 individual devices. Of these individual users, 156,760 devices were Android mobile devices which contributed to 66.56% of the total devices connected to the access points. This was followed by iOS with 19,144 devices contributing to 8.12% of all devices connected. In addition to providing wireless internet access, in 2018 the NTRC continued with the objective of ICT training in the rural areas with the Myapp Summer Program which provides students, between the ages of 13 and 18, with the ability to get training in software development. In 2018, the program was held in Bequia at the Bequia Community High School where a total of twenty (20) students took part. In 2019, the NTRC will be hosting the program at a school on the Windward side of the island where an estimated twenty (20) students will be trained.

2.1 UNIVERSAL SERVICE FUND (USF) PROJECT STATUS

The following gives an update of the projects currently being implemented under the USF:

2.1.1 Internet Project

The first project undertaken by the NTRC in SVG was called the Internet Project, and was signed with telecommunications provider Cable and Wireless, at a cost of Four Hundred and Twenty-Seven Thousand, Six Hundred and Eight Dollars (EC\$427,608). Twenty-eight (28) rural locations were outfitted with wireless internal and external internet access points with minimum speeds of 8 Mbps. These locations included thirteen (13) Learning Resource Centers, nine (9) rural schools and six (6) Community Centers. This project was commissioned on July 6, 2011, and ran for a period of five (5) years. This project was combined with another project, the Community Center Project and was retendered in the third quarter of 2016. The NTRC is currently negotiating the terms and conditions for the projects with a service provider and we hope to have a contract in place by the end of the first quarter of 2019.

2.1.2 Payphone Project

The second project is called the Payphone Project and was signed with Cable and Wireless in 2011, at a cost of One Million, Four Hundred Thousand, Five Hundred and Seventy-Five Dollars (EC\$1,400,575). Twenty-five (25) payphones were installed at various locations across SVG including tourism sites, beaches and at points along the main road. Internet access was also provided at the tourism sites and beaches at a minimal cost. Overt vandal proof security cameras were also installed at selected tourism sites and at the beaches to minimize the threat of vandalism to the payphones, as well as to provide some security for visitors to these locations. This project was commissioned in January of 2017 and will run for a five year period. The sites under this project are routinely visited to ensure that the services and equipment are functional. Additionally, the NTRC checks the cameras remotely on a daily basis to ensure that they are also functional. The NTRC will continue to ensure that the services and equipment remain functional to benefit the general public throughout the life of the project.

2.1.3 Schools Project

The third, and largest project is the Schools Project. This project provides wireless internet access services to all one hundred and seven (107) educational institutions with speeds of up to 20 Mbps. This contract was signed in 2011 with the telecommunications provider Cable and Wireless, and the project was commissioned in 2012 and ran for a period of five years. The project was then retendered in 2017 to provide continued wireless internet services to the schools and to also provide more Wi-Fi coverage to some schools. The NTRC was in negotiation with a service provider but was unable to arrive at an agreement for a new contract and as such negotiations were terminated. The project scope was updated and the project was tendered out again and the NTRC is currently evaluating the proposals received and it is hopeful that a contract will be in place by the third quarter of 2019. The new contract for this project will see the continuation of the services at all of the locations in the previous contract with improved speeds and coverage.

2.1.4 Maritime Project

The VHF Maritime Project was commissioned on November 20, 2012 and ran for five years and was implemented to provide access to both emergency and non-emergency communications in the Exclusive Economic Zone (EEZ) of St Vincent and the Grenadines and saw the implementation of a Global Maritime Distress and Safety System (GMDSS) in St. Vincent and the Grenadines. The project was executed for a total cost of One Million, One Hundred and Twenty Five Thousand, Seven Hundred and Eighty Dollars (EC\$1,125,780) and was maintained for a period of five years. Five Hundred and Forty Thousand Dollars (EC\$540,000) of this amount was accessed from the World Bank for the purchase and installation of the equipment. The remaining Five Hundred and

Eighty Five Thousand, Seven Hundred and Eighty One Dollars (EC\$585,781) was paid by the Universal Service Fund for the maintenance of the services and equipment over the five year period. This system is comprises a set of safety procedures, types of equipment and communication protocols used to increase safety and make it easier to rescue distressed ships, boats and even aircrafts. GMDSS provides for distress alerts, distress relays, search and rescue, on scene communication and location services. This system is mandatory for all ships subject to the Safety of Life At Sea (SOLAS) convention of 1974. The basic concept of this system is that the Coast Guard, as well as vessels in the immediate area of a ship in distress, will be rapidly alerted to the emergency so that they can assist with minimum delay time. Digital Selective Calling (DSC) is one of the most important aspects of this GMDSS system and is a standard for sending pre-defined digital message via the pressing of one button. Noting this, the NTRC identified and implemented this project to improve the VHF maritime coverage around the country.

This project was retendered in 2017 as the contract which was in place came to an end. The NTRC subsequently entered into a contract with Cable and wireless for the continued maintenance of the equipment and system to facilitate the GMDSS System. The contract was signed on March 8th 2019 for a period of five years for a total cost of Five Hundred and Ninety One Thousand, Eight Hundred and Forty Dollars and Sixty Five Cents (\$591,840.65)

2.1.5 Police and Health Center Project

The fifth project is the Police and Health Center Project. This project provides wireless internet access at all twenty-nine (29) Police Stations and forty-two (42) Health Centers throughout St. Vincent and the Grenadines at a minimum speed of 8 Mbps. The cost of this project is Seven Hundred and Eleven Thousand, and Fifteen Dollars (EC\$711,015), and was implemented by Karib Cable (FLOW)) for a period of two (2) years. Thirty-one (31) computers were also installed at various clinics, and fourteen (14) computers were installed at the Milton Cato Memorial Hospital. The Royal St. Vincent and the Grenadines (RSVG) Police Force Training School was also outfitted with ten (10) computers to assist the recruits and other officers with their research work. This project also came to an end in 2017 and a project for the continuation of the maintenance of the services was tendered out. The NTRC subsequently entered into a contract with Cable and Wireless on May 14th 2019 for the continued provision of services at the sites under the project. The contract for this project is Five Hundred and Forty One Thousand, Three Hundred and Forty Dollars (\$541,340.00) and will run for two years.

2.1.6 Community Center Project

The sixth project implemented is the Community Center Project. This project provides wireless internet access at eleven (11) Community Centers in various communities throughout St. Vincent and the Grenadines, as well as a Learning Resource Centre, and seven (7) group institutions and public venues, all at a minimum speed of 20 Mbps. The contract for this project was signed in 2012 with Karib Cable (FLOW), at a cost of One Hundred and Nineteen Thousand, Five hundred and Three Dollars (EC\$119,503), and was implemented for a period of two (2) years. The project was commissioned on March 4, 2014. Under this project, the newly established Salvation Army Children's Home was outfitted with six (6) computers and internet access to assist with the development of the children's ICT skills. All residents from the various communities, where these project sites are located, have access to the wireless internet on a 24/7 basis.

This project was combined with another project, the internet project and was retendered in the third quarter of 2016. The NTRC is currently negotiating the terms and conditions for the projects with a service provider and we hope to have a contract in place by the end of the first quarter of 2019.

2.1.7 SMART Project

The seventh and last project that was undertaken is the SMART Project. This project facilitated the necessary infrastructure and platforms at the St. Vincent and the Grenadines Community College (SVGCC) to enable it to offer its existing and new courses online and in real time. Another component of this project is that Three Hundred and Forty (340) households benefitted from subsidized internet access at a price of ten dollars (\$10) per month for a maximum of two (2) years. Additionally, a state-of-the-art computer lab containing Thirty-Five (35) high powered computers, including Twenty (20) Apple Mac computers, were handed over to the Division of Technical Education, SVGCC. This project is being executed at a total of One Million, Six Hundred and Ninety-Eight Thousand, Nine Hundred and Ninety-Four Dollars (EC\$1,698,994), and is being implemented by Cable & Wireless. This project was commissioned on September 25, 2014 and will be coming to an end in September 2019. As such, this project will be tendered out in the second quarter of 2019 to ensure that there is adequate time for a seamless transition from the old contract to the new one.

2.1.8 St. Vincent and the Grenadines National Broadband Plan

The NTRC developed a draft National Broadband plan in 2016. With funding assistance from the Caribbean Regional Communications Infrastructure Program (CARCIP) Project, the NTRC in collaboration with the Ministry of Finance, Economic Planning, Sustainable Development and Information Technology alongside a World Bank Consultant conducted public consultations on the draft plan throughout the nation in the first quarter of 2017. With feedback from the consultations, the final draft of the plan was completed in June 2017. The Ministry of Finance, Economic Planning, Sustainable Development and Information Technology is currently in the process of seeking approval of the plan from Cabinet to have it adopted in 2019. One of the main components of the Broadband plan is to bring broadband penetration levels above 90% by 2023.

3 SUMMARY MARKET ASSESSMENT

The USF was unable to execute new projects in 2018, however, we continued to maintain Three Hundred and Twenty-Eight (328) free wireless internet access points across the country and other services and equipment which are in place under the seven projects being executed under the Fund. The Government of St. Vincent and the Grenadines has been working on providing additional capacity within the county as it pertains to ICT development. The Caribbean Regional Communications Infrastructure Program (CARCIP) is another project being implemented. CARCIP is a World Bank financed initiative which focuses on the development of a high speed broadband backbone network to connect major populated areas on the mainland and the Grenadines to existing regional broadband networks, as well as to increase cross-border connectivity with neighboring Grenada. This project also seeks to advance the development of an ICT-enabled service industry in the Caribbean region. CARCIP is structured into two components.

These two components are:

1. Expansion of the Government Wide Area Network (GWAN) and Supply & Installation of an IP PBX.
2. The Installation, Maintenance and Operation of an Undersea Cable System for Grenada and St. Vincent and the Grenadines.

Key deliverables of the Components:

- A dedicated Government Wide Area Network (GWAN) infrastructure;
- GWAN is to be a Fibre based network connecting all Government locations specified;
- GWAN Core has a Primary and Secondary core for geo-diverse redundancy;
- Centralized Security Services to protect the network against complex and malicious threats;
- A new Government IP PBX system & 911 IP PBX System
- Subsea cable system connecting the Grenadine Islands of Bequia, Mustique, Canuoan, and Union Island to the mainland of St. Vincent and Grenada.

Through a competitive bidding process and rigorous negotiations, Digicel OECS Ltd was awarded the Public-Private Partnership (PPP) contracts in July 2018. The signing of the contracts between the Governments of Grenada, St. Lucia and St. Vincent and the Grenadines and Digicel OECS Ltd and Digicel St. Vincent Ltd was completed on July 23, 2018. CARCIP's completion date has been extended to February 1, 2020 to facilitate the implementation of the broadband activity.

The two lump-sum contracts, valued at Fifty Million, Seven Hundred and Ninety One Thousand, Five Hundred and Thirty Nine Dollars (EC 50,791,539) is in place for the execution, operation and maintenance of the national broadband network for a period of 15 years. Lot 1 is for a total of Twenty Seven Million, Eight Hundred and Thirty One Thousand, Seven Hundred and Six Dollars (\$27,831,706.00). Lot 3 amounts to Twenty Two Million, Nine Hundred and Fifty Nine Thousand, Eight Hundred and Thirty Three Dollars (\$22,959,833.00) and these lots are broken out as follows;

- a) Lot 1. Expansion of the Government Wide Area Network (GWAN)
- b) Lot 1. Installation of a new IP-PBX which is under
- c) Lot 3. Undersea Cable System for the design, construction, operation and maintenance of an undersea cable system between the main islands of Grenada and St. Vincent with cable landing stations on Carriacou, Union Island, Canouan, Mustique and Bequia.

The basic infrastructural components of the Undersea include approximately 139.8 mi. (225 km) of fiber optic cable, laid on the sea floor. A main trunk cable is proposed to run between St. Vincent and Grenada with branching cable segments at intervals to serve individual islands. Construction at each landing site will take approximately one week and the entire cable laying activities will be conducted over a period of one month. Preliminary work has commenced on the undersea cable. The submarine cable system is expected to be installed and commissioned by September 2019.

The new IP PBX system would be located at the Administrative Complex. The total number of overall users will be 1,600 and the total number of concurrent users will be 300.

High and low level designs have been completed and Government buildings and surveys are currently taking place. Approximately 50% of the installation on the network is expected to be completed by September 2019 and full installation by November 2019. For the core IP PBX, it is expected to be installed by May 2019.

Benefits of the interventions:

- 1. It will significantly improve the quality of internet services offered in the country and thus, eventually, increase the broadband penetration rate in St. Vincent and the Grenadines.
- 2. Meet the growing demands for broadband services as a result of increasing backhaul requirements of 4G and the ever-increasing bandwidth demands from residents, businesses community, government and visitors to our shores.

3. With the Grenadines being tourism oriented, the undersea system will enhance the competitiveness of this segment of our tourism product. Increasingly, visitors expect broadband communications to be comparable with services available at home.
4. The GWAN infrastructure will enhance the provision of e-Government services and create the enabling environment to facilitate the delivery of more easily accessible services, particularly to persons living in the Grenadines.

ICT-Led Innovation under the CARCIP Project

Under the ICT-Led Innovation component of CARCIP, sixteen (16) businesses have benefited so far through the business incubation grant programme. A further nine (9) businesses are expected to receive grants support on the remaining programme in this year.

On the ICT training this was mainly executed by the SVG National Centre of Technological Innovation Inc. (SVGNCTI). The SVGNCTI commenced CARCIP ICT training in April of 2016. Through this initiative, Vincentians were given the opportunity to take advantage of subsidized ICT training. For each individual, the CARCIP project subsidizes 80% of the cost of the specific training course in addition to the exam cost.

Over the period, the training programme facilitated over 600 persons in several ICT disciplines both for professional development and for certification purposes. All participants received a certificate of competence from the NCTI.

In Professional Development, the following courses were offered:

- Digital Animation
- Web page Design
- Graphics Design
- Mobile Application Design
- Computer Application for Office
- Cell Phone Repairs
- Computer Fundamentals

For International certification purposes one hundred and seventy one (171) persons were successful in the exams and will receive a certificate from the testing client (e.g. CISCO, ICDL). The following courses were undertaken:

- ICDL Base
- Cisco Certified Network Associate
- Computer Application for the Office
- Microsoft Office Specialist
- CompTIA A+
- CompTIA Security+

- CompTIA Network+

Over 100 persons are expected to receive training in 2019 through the CARCIP programme.

3.2 St Vincent and the Grenadines Human Development Service Project

Saint Vincent and the Grenadines has received financing in the amount of US\$10.7M from the World Bank toward the cost of the Human Development Service Delivery Project, and it intends to apply part of the proceeds to payments for goods, works, non-consulting and consulting services to be procured under this Project.

The Project will include the following components:

Component 1: Strengthening Pedagogy for Basic and Special Needs Education (USD \$2.16 Million). Required under this component are goods and consultancies for (a) training of education officials in effective pedagogical practices; (b) adaptation of OECS learning standards and development of performance appraisal instruments; (c) special education learning resources, media and information technology equipment; (d) printing and distribution of guidelines and handbooks. This Component aims to strengthen the capacity of teachers to deliver, and of school leaders to support, high-quality classroom instruction, with the ultimate goal of improved learning outcomes for primary and secondary school students in SVG. Based on the new assessment framework and guidelines developed under the project supporting the regional OECS Education Sector Strategy, teachers will be trained to conduct formative assessments and use them to target instruction to students' current levels of comprehension, which is essential to effective learning. The Component will be delivered through two sub-components:

- a) Strengthening teaching capacity (USD\$1.81 million) by: (i) adapting the OECS teaching and learning standards developed at the regional level to the Saint Vincent and the Grenadines context; (ii) disseminating the adapted teaching and learning standards to all teachers through cascading training sessions and printing and distribution of teacher's manuals and guidelines on the new learning standards, using formative assessments, and effective pedagogical practices; (iii) upgrading the skills of selected teachers through targeted training modalities; (iv) carrying out annual monitoring of teacher classroom practices through the use of classroom observation instruments; (v) carrying out a pilot remedial program to be delivered through both teachers and after-school tutors; and (vi) strengthening special education through materials, teacher training, and training for parents of children with autism and spectrum and behavioral disorders. The Sub-component will also support an impact evaluation to assess the effectiveness of the activities, and focus group discussions will be conducted with principals, teachers, parents, and students to ensure citizen engagement.

- b) Developing capacity of school leaders to support teachers in improving pedagogy and help build a pipeline of effective future school leaders (USD\$0.346 million). It will include: (i) provision of training for new principals and senior teachers, (ii) printing and distribution of handbooks on school management, (iii) the development of a performance appraisal tool for principals, and (iv) a mentoring program for new principals.

Component 2: Building Responsive Social Protection Service Delivery Systems (USD \$3.46 Million). Consulting services will be required for (a) carrying out a Living Conditions Survey (LCS) and a Household Budget Survey (HBS) and related data collection, data processing, and analysis, (b) development of advanced social protection processes, capacity and delivery instruments, including design and implementation of a social registry and management information system, (c) strengthening institutional mechanisms, and (d) development of public communication and beneficiary education mechanisms. This Component will aim to: (i) improve SPL service delivery instruments to support a household approach to providing safety net benefits; (ii) strengthen human resource capacity for provision of SPL programs and services; and (iii) enhance institutional mechanisms and strategy for more efficient, coordinated, and transparent service delivery, and improved communication and education strategies for safety net beneficiaries. The Project will also finance poverty data collection to ensure evidence based decision making in identification of beneficiaries and program responses to address poverty challenges. The activities will be complemented by the recently approved TA financed through the Rapid Social Response Trust Fund (RSRTF) to improve emergency safety net response to climate shocks. The Project will provide support to three implementing agencies under this Component.

- a) Sub-component 2.1. Support in Completing an Enhanced Country Poverty Assessment (eCPA) (US\$0.80 million). The Sub-component will finance data collection, data processing, and analysis to carry out a Living Conditions Survey (LCS) and Household Budget Survey (HBS) for an eCPA to inform safety net program design and poverty reduction strategies and policies.
- b) Sub-component 2.2: Support in Strengthening the SP System (MONM) (US\$2.66 million). The Sub-component will finance the development and implementation of a targeting system; beneficiary registry linked to a new MIS; improved payment system; institutional assessment, capacity building, knowledge exchange and training to MONM staff, strengthened operational procedures, and better monitoring and evaluation (M&E), as well as improved public communication and beneficiary education

Component 3: Strengthening Labor Market Systems and Improving Skills Training of Poor and Vulnerable Populations (US\$3.84 Million). Under this component, goods, minor works and consulting services will be required to (a) enhance capacity for TVET delivery by improving the learning environment human resource capacity for TVET training and administration; and (b) improve labour market information through labor force survey and labor demand surveys, and enhanced legislative framework. This Component will finance labor market data collection to inform training and labor market policy; direct delivery of TVET training to poor and unemployed persons; improvements in the learning environment for TVET education in selected schools; and technical assistance and investments to strengthen the overall institutional capacity and policy framework for a sustainable TVET and labor market system. There are two implementing agencies under this Component.

a) Sub-component 3.1: Support in Strengthening the Certification Framework (US\$3.32 million). This Sub-component will finance technical assistance, investments, and training to fill remaining gaps in service delivery, including:

- I. Expanding Access to Training for Poor and Vulnerable Youth and Adults. This Subcomponent will provide competency-based technical training, core-skill training, applied learning and simulation activities, individual career guidance, and interview coaching sessions consistent with labor market needs to a cohort of approximately 1,200 poor unemployed youths and adults in CVQ Level I unit programs. Training will employ incentives to encourage female participation and prioritize participation of the poor, with a share of beneficiaries to be referred from the Public Assistance register.
- II. Enhancing the system's capacity for TVET delivery. This Sub-component will address the long and short-term capacity-building needs for expanding access to TVET programs and improving the learning environment of TVET instruction and management. This includes:

Improving the learning environment and TVET delivery in selected secondary schools through procurement and installation of tools, ICT and other equipment, furniture and other required curriculum-support materials, as well as through works, including minor retrofitting and repairs to TVET laboratories.

Improved human resource capacity for TVET training and administration. This activity will include training for approximately 100 master assessors, assessors and verifiers to support implementation of CVQs in SVG as well as skills upgrades for 40 TVET instructors.

b) Sub-component 3.2: Support in Strengthening of Labor Legislative Framework (US\$0.52 million). This Sub-component will finance technical assistance to the Labour Department under the MOEP to update the Protection of Employment Act of 2003 and Labour Relations Bill of 2001, and to carry out a labor force survey and labor demand survey by the Statistical Office. The capacity of the Labour Department and relevant agencies will be strengthened through external training on the latest research and practices in labor market interventions. A tripartite approach will be used to ensure citizen feedback into the legislative update process, including employers, employees, and government.

Component 4: Project Implementation, Monitoring and Evaluation. Requested under this component are consultancies to support effective and efficient administration and implementation of the Project. Procurement of contracts financed by the Project will be conducted through the procedures as specified in the World Bank's Procurement Regulations for IPF Borrowers (July 2016) (Procurement Regulations), and is open to all eligible firms and individuals as defined in the Procurement Regulations.

The objectives of the Project are to strengthen the quality of service delivery in education, to improve efficiency of social protection systems, and to improve effectiveness of labor market systems in Saint Vincent and the Grenadines. The strengthened service delivery in human development systems will indirectly benefit the overall population. However there are several stakeholder groups that will receive specific focus from project interventions, as follows:

(a) Project interventions in primary and secondary education will directly benefit students, teachers, and school leaders (principals, deputy principals, and senior teachers) at all 68 primary and 26 secondary schools in the country.

(b) Poor and vulnerable households will benefit from strengthened mechanisms to provide safety net support to them and facilitation of human capital development. These improvements will also facilitate resource efficiencies in contexts of significant resource constraints. Specifically, the Project will benefit at least 1,200 poor and unemployed persons in Saint Vincent and the Grenadines through improved access to skills training. To support gender equity, at least half of those receiving training are expected to be women, and a supplemental childcare stipend will be provided to at least 400 parents of young children to prevent this type of dropout.

3.1 REVENUE OF TELECOM OPERATORS

Figure 2 below shows the revenues received by the respective telecommunication operators. The revenue generated by telecommunications operators decreased by a margin of 3% in 2018. This was due to a reduction in revenue for mobile services.

Figure 2

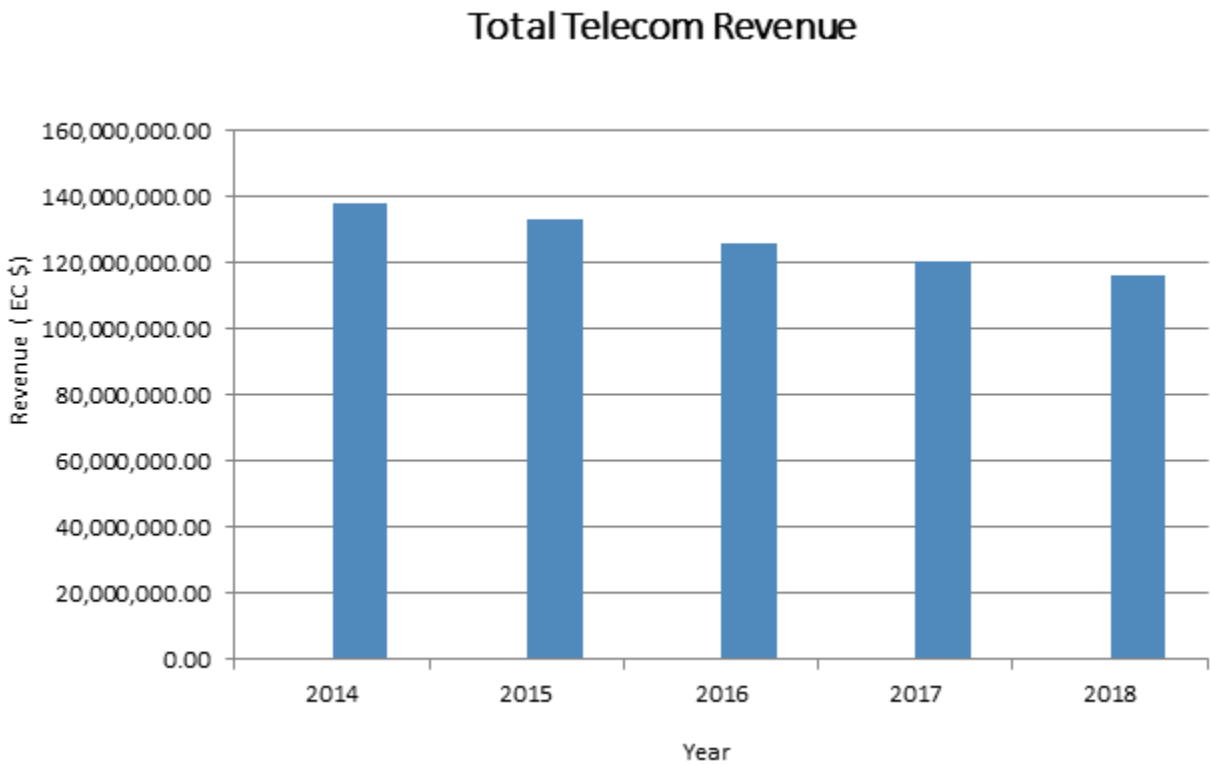


Fig 2. Revenue for the telecommunications providers in SVG (Source: NTRC)

Figure 3 shows a comparison in Fixed Line Subscribers for Cable & Wireless and Karib Cable. In 2018, Cable & Wireless and Karib Cable recorded a decrease for Fixed Line Subscribers.

Figure 3

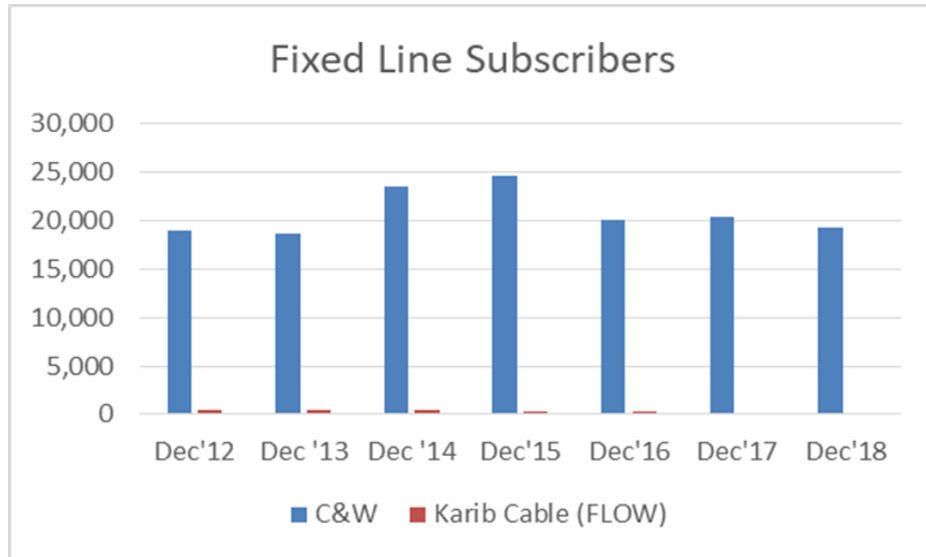


Fig 3. Fixed Line Subscribers (Source: NTRC)

Figure 4 below shows the number of Broadband Internet Subscribers from 2012 to 2018 on a whole. There has been an increase in the Broadband Internet Subscribers from 2012.

Figure 4

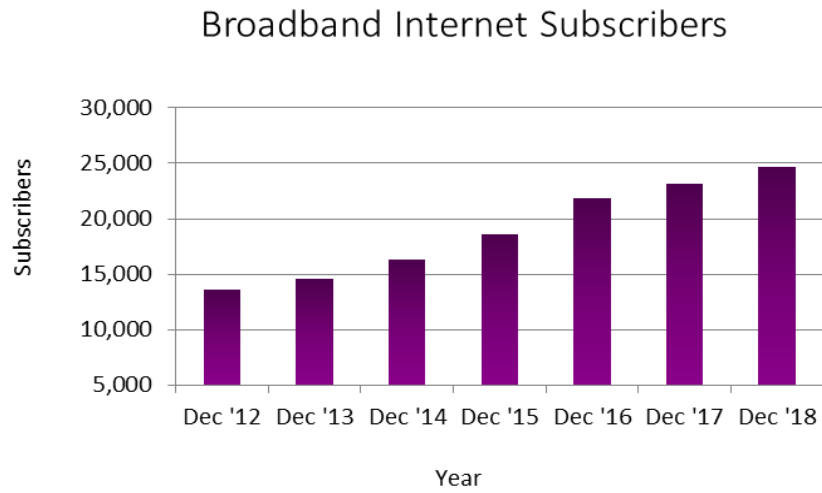


Fig 4. Broadband internet subscribers in SVG (Source: NTRC)

Figure 5 shows the number of mobile subscribers for the years 2012 to 2018. The figure shows a slight increase in the figure for 2018 as compared to 2017.

Figure 5

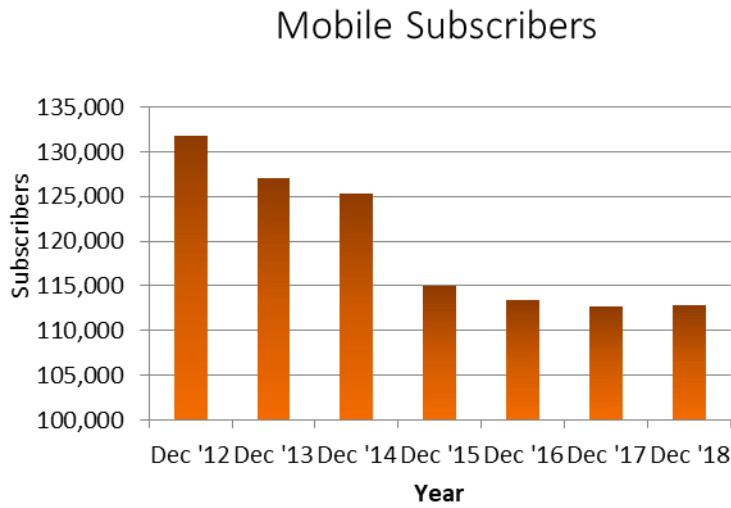


Fig 5. Mobile Subscribers (Source: NTRC)

3.2 PORTABLE COMPUTERS ENTERING ST. VINCENT

Figure 6 below depicts the number of portable computers entering St. Vincent and the Grenadines. In 2018, Eleven thousand, Eight Hundred and Nineteen (11,819) portable were imported in SVG. This is a 148.12% increase from the year 2017 which saw Four Thousand, Seven Hundred and Sixty One (4,761) devices being imported.

Figure 6

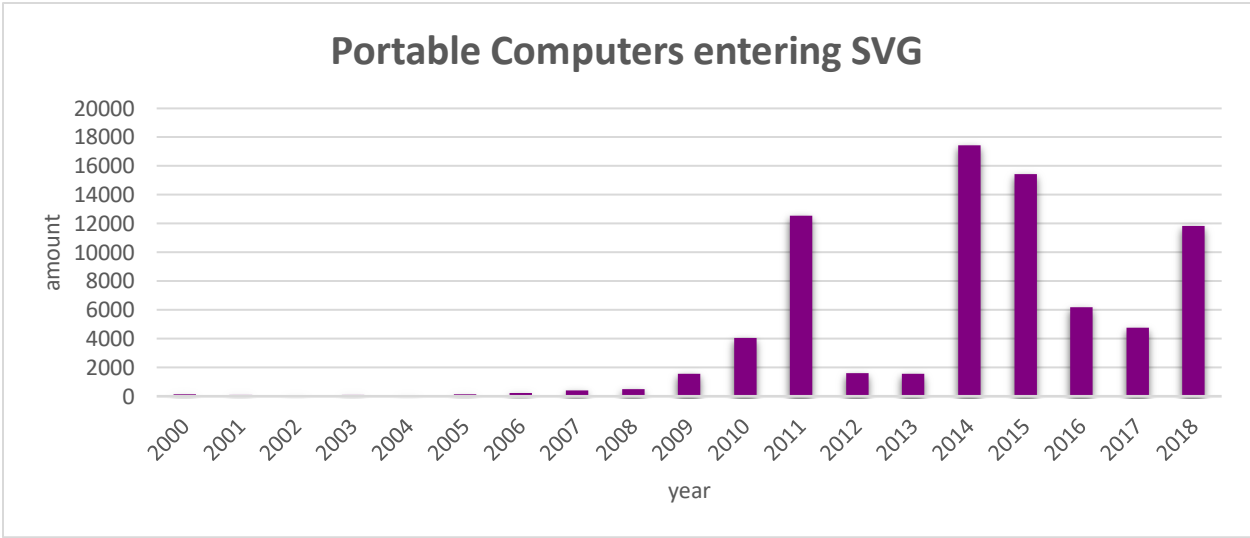


Fig 6. Portable computers entering SVG (Source: *the Customs and Excise Department*)

3.3 DESKTOPS ENTERING ST. VINCENT AND THE GRENADINES

Figure 7 below shows the number of desktop computers entering the country. The graph shows that there has been a decrease in the number of desktops being imported. In 2017, there were One Thousand, Four Hundred and Thirty Eight (1,438) units which were imported compared to Nine Hundred and Forty Nine (949) units for 2018. This represents a 34% decrease in the figures from 2017.

Figure 7

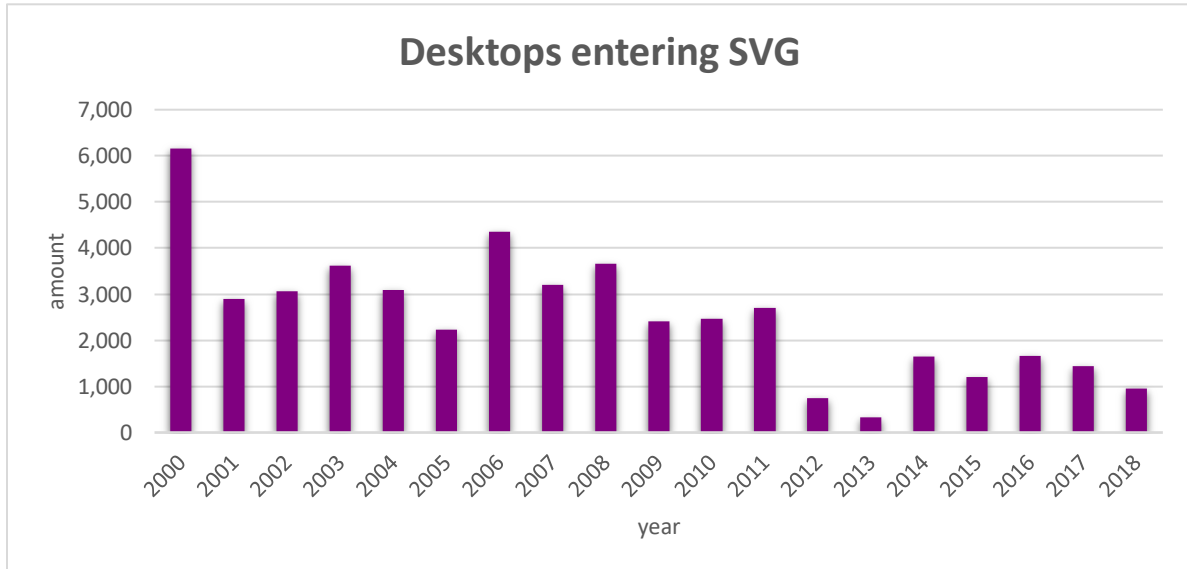


Fig 7. Desktop entering SVG (Source: *Customs and Excise Department*)

3.4 MOBILE PHONES ENTERING ST. VINCENT AND THE GRENADINES

Figure 8 below shows the number of mobile phones entering the country. The graph shows that there has been a decrease in the number of mobile phones being imported. The figure decreased from Twenty Seven Thousand, Two Hundred and Seventy Seven (27,277) in 2017 to Twenty Two Thousand, Five Hundred and Eighty Six (22,586) in 2018 representing a 17.19 % decrease in the number of mobile phones imported in the year 2018.

Figure 8

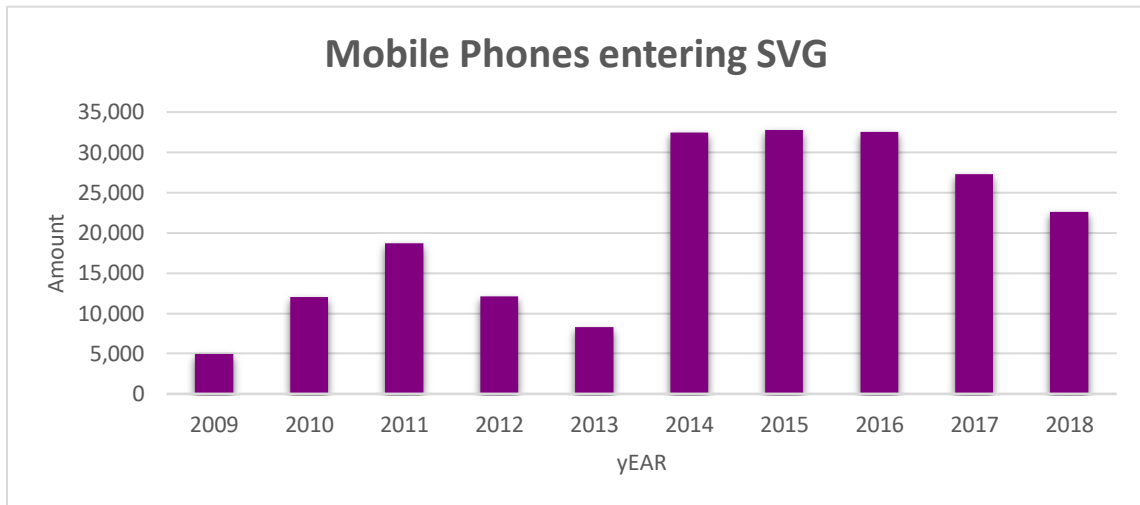


Fig 8. Mobile Phones imported (Source: *the Customs and Excise Department*)

3.5 PENETRATION RATES FOR TELECOMMUNICATION SERVICES

Figure 9 below shows the penetration rates for various telecommunications services over the last six years. These services include fixed Internet, Mobile landline and subscriber TV. The penetration rate for Fixed Internet has increased in each of the six years while the mobile penetration rate and the subscriber TV penetration rate has been on a decrease over the same period outlined below. The penetration rate for the landline services saw an increase during the period 2013 to 2015 and saw a fall in 2016 and small decreases in 2017 and 2018 respectively.

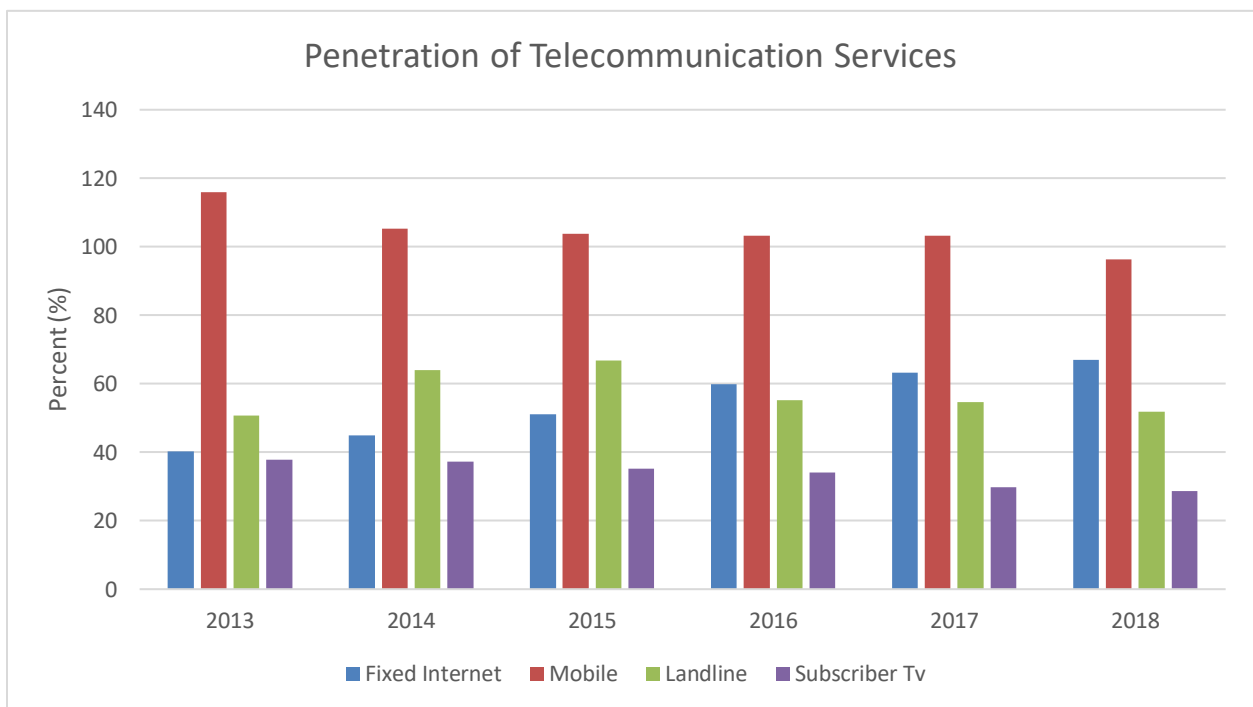


Figure 8: Penetration Rates (Source NTRC)

4 PRIORITY GOALS 2018

The Operating Plan for 2018 identified priority areas requiring the attention of the USF for the year 2018. The status of priority goal and the sub goals are as follows:

- 1. The 2018 Operating Plan will be established. This plan will set out the objectives of the Fund for the operating year 2018.**

This objective was completed. The USF 2018 Operating Plan was established in June of 2018. This plan outlined the priority goals of the USF for the year.

- 2. The USF will seek funding from international donor organizations for two projects which have been developed. The USF will be working along with the regional NTRCs so that we can benefit from these projects.**

This objective was not completed in 2018 as we were unable to find an international agency to provide funding for the two new USF Projects. The USF will continue to work on this task in 2019 to have it executed.

- 3. The NTRC with the assistance of the Statistical Department will be conducting a National ICT survey in St. Vincent and the Grenadines on behalf of the Caribbean Regional Communication Infrastructure Program (CARCIP).**

This objective was not completed as the funding for this task was approved by the World Bank in the final quarter of 2018 as such some tasks could not be completed before year end. Noting this, the survey will be completed in the second quarter of 2019.

- 4. Projects which have been implemented thus far under the USF will be routinely visited to ensure that the services and equipment being paid for are present at the various locations.**

This objective was completed. The USF conducted visits to sites under the USF projects which have been implemented.

- 5. Public awareness activities will continue, and will include school discussions at various schools, community discussions, and radio and television presentations.**

This objective was completed. Eight schools and five radio stations were visited and presentations were made.

- 6. The USF will seek to enter into a new contract for the Community Access Project once the terms and conditions benefit all stakeholders involved.**

This objective was not completed in 2018. The NTRC is currently in the process of negotiating the terms and conditions under this contract and it is expected to be signed by the first quarter of 2019.

- 7. The USF will seek to enter into a new contract for the Schools Project once the terms and conditions benefit all stakeholders involved.**

This objective was not completed in 2018. The NTRC is currently in the process of negotiating the terms and conditions under this contract and intends to have a contract in place for this project by the third quarter of 2019.

- 8. The USF will seek to enter into a new contract for the Maritime Project once the terms and conditions benefit all stakeholders involved.**

This objective was not completed in 2018. The NTRC is currently in the process of negotiating the terms and conditions under this contract and it is expected to be signed by the first quarter of 2019.

5 USF PRIORITY GOALS 2019

The USF priority goals for 2019 are as follows:

1. The 2019 Operating Plan will be established by March 2019. This plan will set out the objectives of the Fund for the operating year 2019.
2. The USF will seek funding from international donor organizations for two projects which have been developed. The USF will be working along with the regional NTRCs so that we can all benefit from these projects.
3. The seven projects which have been implemented thus far under the USF will be routinely visited to ensure that the services and equipment being paid for are present at the various locations.
4. The USF will ensure that the new contract for the Schools project is entered into by the third quarter of 2019.
5. The USF will ensure that the new contract for the Community Access project is entered into by the first quarter of 2019.
6. The USF will ensure that the new contract for the Police and Health Center Project is entered into by the second quarter of 2019.
7. The USF will ensure that the new contract for the Maritime Project is entered into by the first quarter of 2019.
8. The SMART project will be tendered out in April 2019 as the current contract comes to an end in September 2019.
9. An ICT survey will be executed in April of 2019.

6 USF BUDGET ESTIMATES

The Fund is projected to receive Two Million One Hundred and Seventy Six Thousand, Three Hundred Dollars (\$2,176,300) in 2019. This consists of contributions from telecommunications service providers amounting to Two Million, One Hundred and Seventy Three Thousand, Eight Hundred Dollars (\$2,173,800), and an interest on the Fund's account of Two Thousand, Five Hundred Dollars (\$2,500) as there are a number of project payments due to be settled with Providers which would impact the Fund's balance in its savings account.