



USF OPERATING PLAN 2021

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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 ranges 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 which they are to be paid. This document can be accessed on the NTRC's website at the following URL:

http://ntrc.vc/docs/usf/USF_contribution_order-1.pdf

1.2.2 Telecommunications (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 can be accessed on the NTRC's website at the following URL:

http://ntrc.vc/docs/usf/Universal_Service_Fund_regulations_20110418.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 can be accessed on the NTRC's website at the following URL:

http://ntrc.vc/docs/usf/USF_guidelines_20110418.pdf

1.3 TELECOMMUNICATIONS ACT 2009

Section 42 of this Act mandates the establishment of the USF. This document can be accessed on the NTRC's website at the following URL:

https://ntrc.vc/docs/legislations/telecom_act_2001_SRO_NO_11.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 of 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, 2020, the Universal Service Fund had projected to receive a total of Two Million Eight Hundred and Sixty-Five Thousand, Six Hundred and Twenty-Six Dollars (\$2,865,626.00) from Telecommunications Service Providers and an interest of Fourteen Thousand Dollars (\$14,000.00). The actual revenue received by the Universal Service Fund in 2020 was Two Million Eight Hundred and Ninety-Seven Thousand, Eight Hundred and Six Dollars and Ninety Cents (\$2,897,806.90). A 2019 receivable of Thirteen Thousand Three Hundred and Fifteen Dollars and Seventy Three Cents (\$13,315.73) was collected from a Telecom provider in 2020. Furthermore, the USF had a higher cash balance which led to more interest being received as some project payments have been deferred as the expected services are not yet in place.

Expenditure

Recurrent:

For the year ended December 31, 2020, the USF had projected to spend Four Hundred and One Thousand, Seven Hundred and Seventy-Five Dollars and Forty-Two Cents (\$401,775.42) on recurrent expenditure. However, Three Hundred and Seventy-Two Thousand, Eight Hundred and Nine Dollars and Fifty-Six Cents (\$372,809.56) was spent. Due to the current COVID-19 Pandemic, the NTRC had cancelled its 2020 MyApp Summer Programme and overseas travelling for the attendance of training and meetings.

Projects:

For the year ended December 31, 2020, the USF budgeted to spend Three Million, Three Hundred and Fifty-Nine Thousand, Six Hundred and Fifteen Dollars and Five Cents (\$3,359,615.05) for payments on projects. However, Nine Hundred and Thirty-Four Thousand, Two Hundred and Nineteen Dollars and Sixteen Cents (\$934,219.16) was spent. This is primarily because the contractual obligations under some of the USF projects were not met and therefore, the payments of fees were deferred until the issues were resolved.

Projected Revenue for 2021

The Fund is projected to receive Two Million, Two Hundred and Twenty-Eight Thousand Two Hundred Dollars (\$2,228,200.00) in 2020. Two Million, Two Hundred and Twenty-Five Thousand, Seven Hundred Dollars (\$2,225,700.00) is expected to be collected from the Telecommunications Service Providers and interest of Two Thousand, Five Hundred Dollars (\$2,500.00) is projected on the fund's balance in its saving account. It must be noted in 2020, receivables for contributions amounting to Six Hundred and Forty-Five Thousand Dollars (\$645,000.00) coming forward from 2019 were included to be collected in the 2020 projected figure. Had these receivables not been accounted for in 2020, the projected figure for 2020 would have been Two Million Two Hundred and Four Thousand, Six Hundred and Twenty-Six Dollars (\$2,204,626.00) which is Twenty Three Thousand Five Hundred and Seventy-Four Dollars (\$23,574.00) lower than the 2021 projected amount.

Figure 1 below shows the projected and actual revenues received by the USF from respective telecommunication operators.

Figure 1

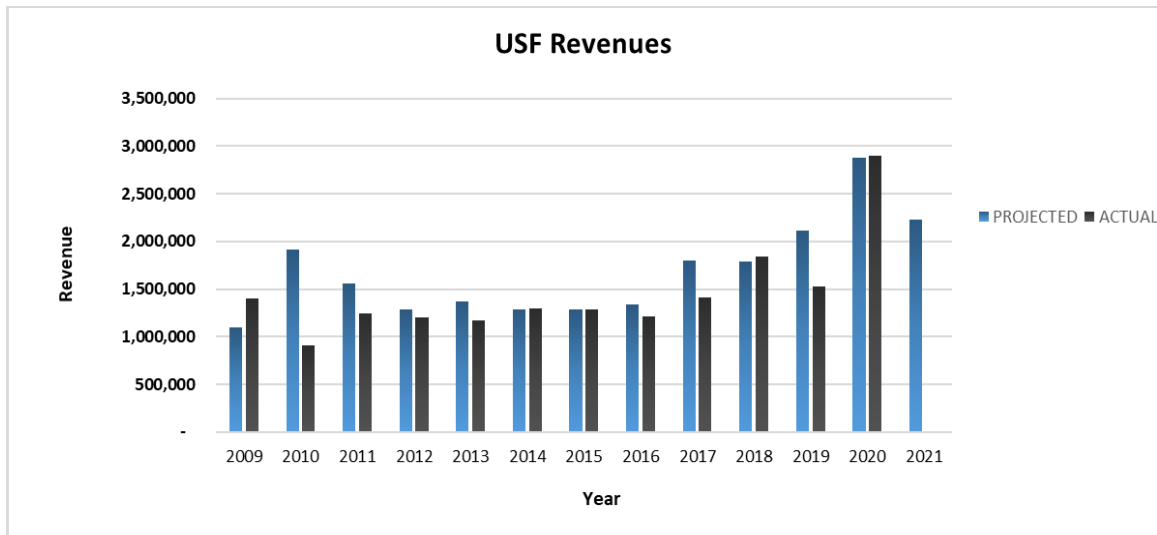


Fig 1. USF Projected and Actual Revenue (Source: NTRC Annual Report 2020)

2 TELECOMMUNICATIONS IN ST. VINCENT AND THE GRENADINES

The year 2020 brought many challenges with the COVID-19 pandemic, which resulted in a significant growth in the use of web conferencing and online classroom platforms to keep persons connected.

The NTRC has 322 wireless access points at 125 locations nationwide, which were installed under six projects implemented by the USF. These access points are monitored and managed through a central dashboard which is hosted in the cloud. While conducting our monitoring of these access points, the increase demand for the internet was observed as we noted that a total of 437.35 Terabytes of data was consumed by 68,108 devices, which is a 23.3% increase in usage over 2019 which had 354.76 Terabytes of data consumption by 45,806 devices.

Also, due to the pandemic, in 2020 the NTRC was unable to fulfill our objective of ICT training in the rural areas with the MyApp Summer Program. The program was to be held at the Canouan Secondary School and the North Union Secondary School with an estimated twenty (20) students for each location. In 2021, the NTRC would host the MyApp Summer Program at these locations provided that the state of the pandemic eases.

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 Community Access Project

This project is the combination of the first project undertaken by the NTRC, The Internet Project, and the sixth project, The Community Center Project. The contract for this project was signed on March 8th, 2019 between Cable and Wireless and the NTRC for a total of Three Hundred and Thirty-Three Thousand One Hundred and Seventy-Two Dollars and Three Cents (EC\$333,172.03) and was commissioned on December 19th, 2019 as all the services and equipment were in place. This project will run for two years and come to an end on December 18th, 2021. In the project, forty-seven (47) locations were outfitted with wireless internal and external internet access points with minimum speeds of 20Mbps download and 3Mbps upload. These locations included nineteen (19) Community Centers, thirteen (13) Learning Resource Centers, eleven (11) Group Institutions and Public Venues and four (4) Public Libraries.

2.1.2 Payphone Project

The second project is 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). Under this project, 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. Three sites were removed following negotiations with Cable & Wireless in 2019 as they were negatively impacted by environmental conditions due to their location. These sites were Cumberland Trail, Rawacou and Fancy. Additionally, electricity will be placed at the Mt Wynne beach site for the equipment under this project. This installation of electricity to this site was expected to be completed by the first quarter of 2020, however due to the covid-19 pandemic, the contractor had difficulties sourcing the necessary materials to have this completed. In October of 2020, we liaised with the National Parks, Rivers and Beaches Authority to have electricity brought to the Mt. Wynne beach by the St. Vincent Electricity Services Ltd. The electricity was installed on February 28, 2021 and the equipment at the site are currently functional.

2.1.3 Schools Project

The School's project was first signed on June 7th, 2011 which saw all 107 schools throughout St. Vincent and the Grenadines with wireless internal and external internet access points with minimum speeds of 8Mbps download and 2Mbps upload. This original contract came to an end and a new contract for this project was signed on October 23rd, 2019 for a total of Two Million Five Hundred and Fifty – one Thousand, Fifty – Four Dollars and Eighty-Seven Cents (EC\$2,551,054.87). The project will run for five years and would come to an end on October 22nd, 2024. Each school included in the project will now get one internet connection with a minimum download speed of 100 Mbps and an upload speed of 15 Mbps. Other selected locations will also get a minimum download speed of 100 Mbps with an upload speed of 100 Mbps based on the availability of the providers infrastructure to provide these speeds. In addition to this, some of the schools under the project will require the installation of a Cisco network switch to provide the service to the various access points at each school.

A five-year license for a centrally managed content management system which will interface with all existing access points under the project will also be provided. This is to provide content filtering at each location and to monitor the status of the services at each location. This project was expected to be commissioned by the second quarter of 2020, however during our commissioning activities, there were several changes to be made to schools. These works were reported to be

completed by Cable and Wireless and we are currently reviewing these changes to ensure they were properly done. This project is expected to be commissioned by the first quarter of 2021.

Additionally, on December 14, 2021 the contract document was amended to include the installation of 115 additional access points across 57 schools. This would see an improvement in the coverage at schools. The additional access points were purchased, and their desired placement was finalized. The installation of the new access points is expected to be completed by the third quarter of 2021.

2.1.4 Maritime Project

The VHF Maritime Project was initially commissioned on November 20, 2012 and ran for five years. The project 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 Dollars (EC\$585,780) was paid by the Universal Service Fund for the maintenance of the services and equipment over the five-year period. This system 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 an 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 a 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 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). Additionally, under this new contract the NTRC was able to purchase handheld GMDSS enabled radios and replacement components (such as antennas and batteries) for resale to sea fearers at a subsidized cost.

2.1.5 Police and Health Center Project

This project was signed on November 1, 2012 and it provided 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 installed at various clinics, and fourteen (14) computers installed at the Milton Cato Memorial Hospital. The Royal St. Vincent and the Grenadines Police Force (RSVGPF) Training School was also outfitted with ten (10) computers to assist the recruits and other officers with their research work. This project was commissioned on June 12th, 2015 and came to an end in June 2017 and a project for the continuation of the maintenance of the services was tendered. The NTRC subsequently entered 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 SMART Project

The first contract for this project was signed on November 20th, 2012 at a total of One Million, Six Hundred and Ninety-Eight Thousand, Nine Hundred and Ninety-Four Dollars (EC\$1,698,994) for the for the supply of equipment and teaching aids at the St. Vincent and the Grenadines Community College (SVGCC) to enable them to offer specialized ICT training. This included a state-of-the-art computer lab containing Thirty-Five (35) high powered computers, twenty(20) of which were Apple iMac computers, were handed over to the SVGCC: Division of Technical Education. In addition to this, Three Hundred and Forty (340) needy households benefitted from subsidized internet access at a cost of ten dollars (\$10) per month for a maximum of two (2) years. This five-year project was commissioned on September 25th, 2014 and came to an end in September 24th, 2019.

The project was retendered in July 24th, 2019 and the NTRC subsequently entered a contract with Cable and Wireless on March 26th, 2020. The new contract brought new equipment for the supply of specialised supplementary ICT training equipment at the St. Vincent Community College and the supply of internet access at the subsidized cost of ten dollars (\$10) per month to an increased Six Hundred and Eighty (680) needy households. Also, Six Hundred and Forty (640) Chromebase Computers would be disbursed to various schools throughout St. Vincent and the Grenadines.

Currently, the ICT training equipment have been delivered to the Community College, Three Hundred and Forty (340) households have an internet connection at a subsidized cost and One Hundred and Fifty (150) computers were disbursed to schools. The NTRC reopened applications for the subsidized internet in March of 2021 to have another Three Hundred and Forty (340) households connected with internet connection. Also, the NTRC expects to disburse another One Hundred and Fifty (150) Chromebase computers to schools throughout St. Vincent and the Grenadines.

3 SUMMARY MARKET ASSESSMENT

In the year 2020, a new contract was entered into for SMART Project which brought back the Subsidized Internet initiative where underprivileged households gain an internet connection for \$10 per month. In addition to this, the Schools Project was amended which saw the addition of 116 new wireless access points to improve the wireless coverage at fifty eight (58) schools across the country. The USF also continued to maintain the 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 six projects currently being executed under the Fund.

The Government of St. Vincent and the Grenadines has also been building capacity within the country as it pertains to ICT infrastructure as the Caribbean Regional Communications Infrastructure Program (CARCIP) has been 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 Fiber 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, Canouan, and Union Island to the mainland of St. Vincent and Grenada.

In March 2018, Digicel OECS Ltd was awarded the Public-Private Partnership (PPP) which was signed on March 31st 2018 between the Governments of Grenada, St. Lucia and St. Vincent and the Grenadines and Digicel OECS Ltd and Digicel St. Vincent Ltd. The running of the subsea cable system which connects the Grenadine islands to the mainland St. Vincent as well as to Grenada was completed in November 2019. However, the implementation of the other components was extended until December 31, 2020.

With regards to our national broadband network, the two lump-Sum contracts (referred to as Lot 1 and Lot 3), valued at Fifty Million, Seven Hundred and Ninety-One Thousand, Five Hundred and Thirty Nine Dollars (EC\$50,791,539.00) are 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 (EC\$27,831,706.00). Lot 3 amounts to Twenty-Two Million, Nine Hundred and Fifty-Nine Thousand, Eight Hundred and Thirty-Three Dollars (EC\$22,959,833.00) and these lots are broken out as follows.

- a) Lot 1: Implementation of the Government Wide Area Network (GWAN) and the Installation of a new Government IP-PBX
- b) Lot 3: 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 cable system include approximately 139.8 mi. (225 km) of fiber optic cable which is laid on the sea floor. Also, a main trunk cable which runs between St. Vincent and Grenada with branching cable segments at intervals to serve Bequia, Union Island, Canouan and Mustique. Construction at each landing site and the running of the submarine cable system was completed in November 2019. The provision of commercial wholesale rates for its use is still outstanding as it was submitted but has not yet been accepted by the Governments of St Vincent and the Grenadines and Grenada. The submarine cable will be managed by a Special Purpose Vehicle (SPV). The SPV was established by Digicel Grenada Cable Company Ltd and is also registered in St. Vincent and the Grenadines.

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 were completed in 2019. The Government Wide Area Network was completed in November 2019. 100% of the installation on the network was completed as at November 2019. The core IP PBX was also installed in September 2019. As at December 2019, Seven Hundred and Twenty-one (721) PBX of 1200 were rolled out across the Government. This phase is expected to be completed by May 2020. In addition, the Government has sought additional financing to further extend the G-WAN network infrastructure to seventy (70) sites and procure an additional 400 telephones. The additional financing is also expected to address the implementation of a Government wide Wi-Fi infrastructure. The target completion date for this aspect of the project is December 2020.

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 because 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, twenty-five (25) businesses have benefited under through the business incubation grant programme.

The training grants sub-component mainly executed by the SVG National Centre of Technological Innovation Inc. (SVGNCTI). The SVGNCTI commenced CARCIP ICT skills development and certification training in April of 2016. Through this initiative, Vincentians were given the opportunity to take advantage of subsidized ICT training. For each person, the CARCIP project subsidizes 80% of the cost of the specific training course in addition to the exam cost.

Over the period, of the project the training programme facilitated over 764 persons in several ICT disciplines both for professional development and for certification purposes. All participants received a certificate of competence from the NCTI. In addition, out of the 764 persons who did the courses 152 persons successfully completed the courses and was awarded an internationally recognised certification.

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+

3.1 REVENUE OF TELECOM OPERATORS

Figure 2 below shows the revenues received by the respective telecommunication operators. The revenue generated by telecommunications operators increased by a margin of 1.51% in 2020.

Figure 2

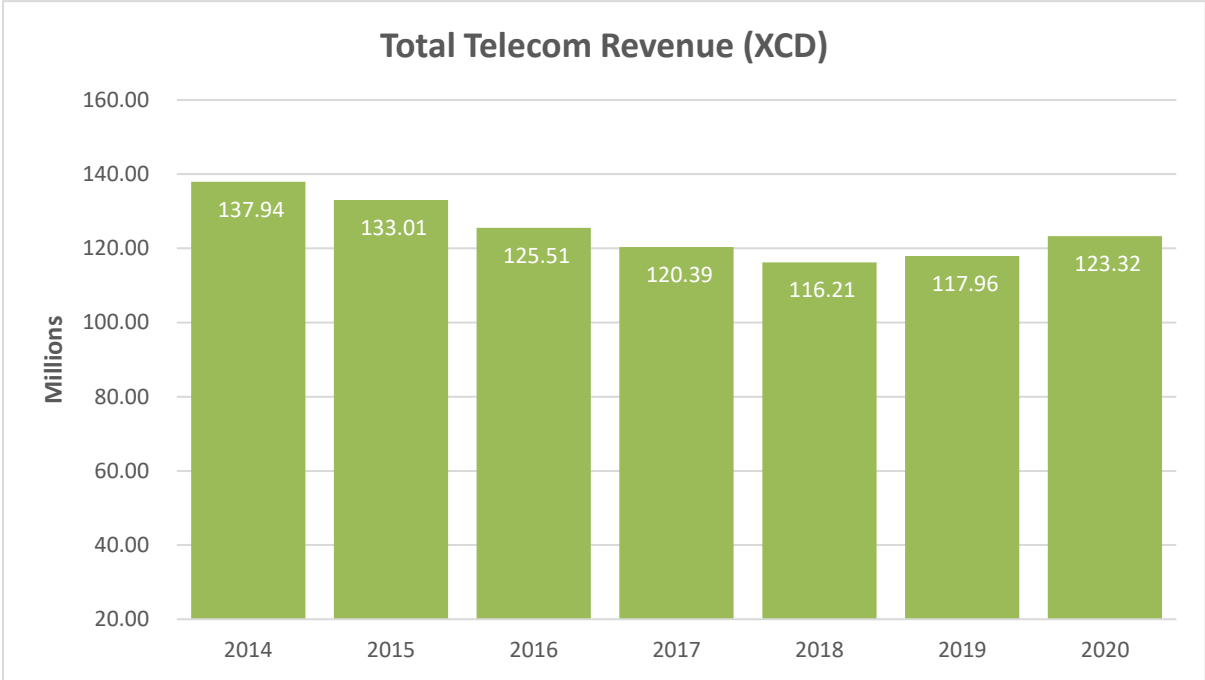


Fig 2. Telecom Revenue for the telecommunications providers in SVG (Source: NTRC)

Figure 3 shows Fixed Line Subscribers over the last seven years.

Figure 3

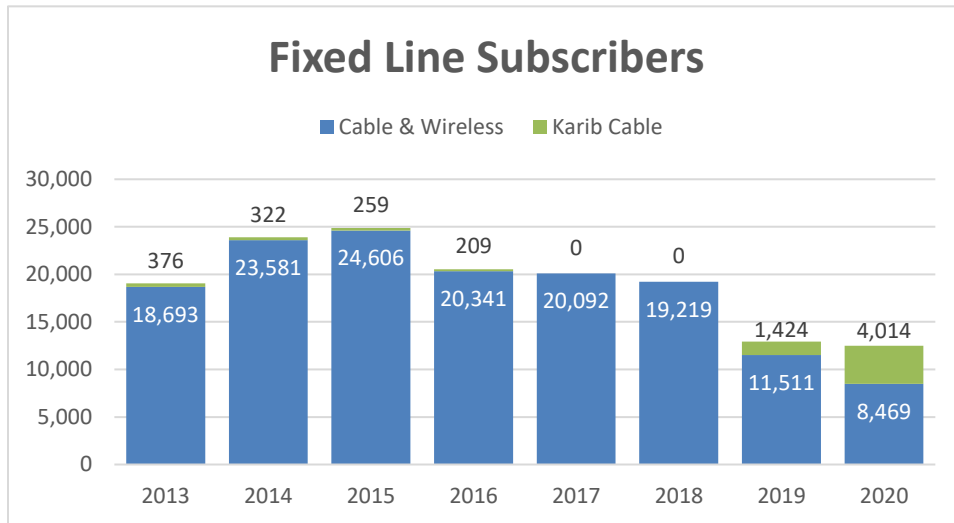


Fig 3. Fixed Line Subscribers (Source: NTRC)

Figure 4 below shows the number of Broadband Internet Subscribers from 2013 to 2020 on a whole. There has been an increase in the Broadband Internet Subscribers from 2013 to 2020 with the exception of 2018 and 2019.

Figure 4

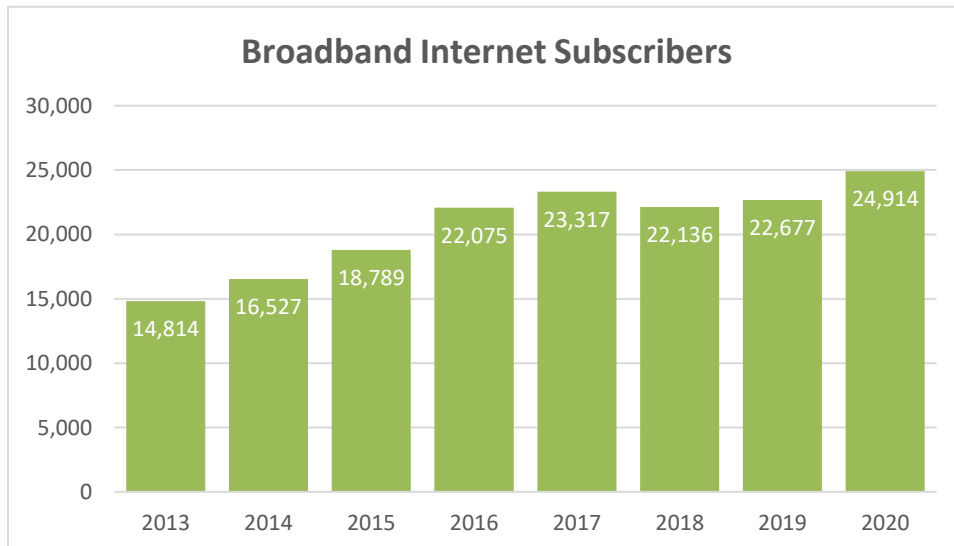


Fig 4. Broadband internet subscribers in SVG (Source: NTRC)

Figure 5 shows the number of mobile subscribers for the years 2013 to 2020. The figure shows a slight decrease in the figure for 2020 as compared to 2019.

Figure 5

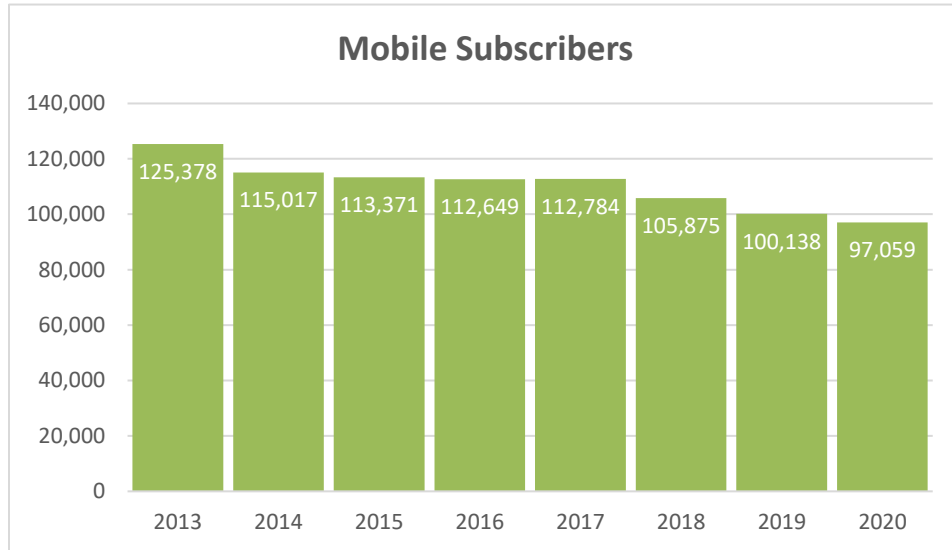


Fig 5. Mobile Subscribers (Source: NTRC)

3.2 PORTABLE COMPUTERS ENTERING ST. VINCENT

Figure 6 below depicts the number of portable computers entering St. Vincent and the Grenadines. Portable computers include Laptops, Notebooks and Netbooks. In 2019, Four Thousand, Four Hundred and Nine (4,409) portable were imported into SVG while 2020 saw Seven Thousand, Six Hundred and Seventy-One (7,671) devices being imported. This represents a 74% increase from 2019.

Figure 6

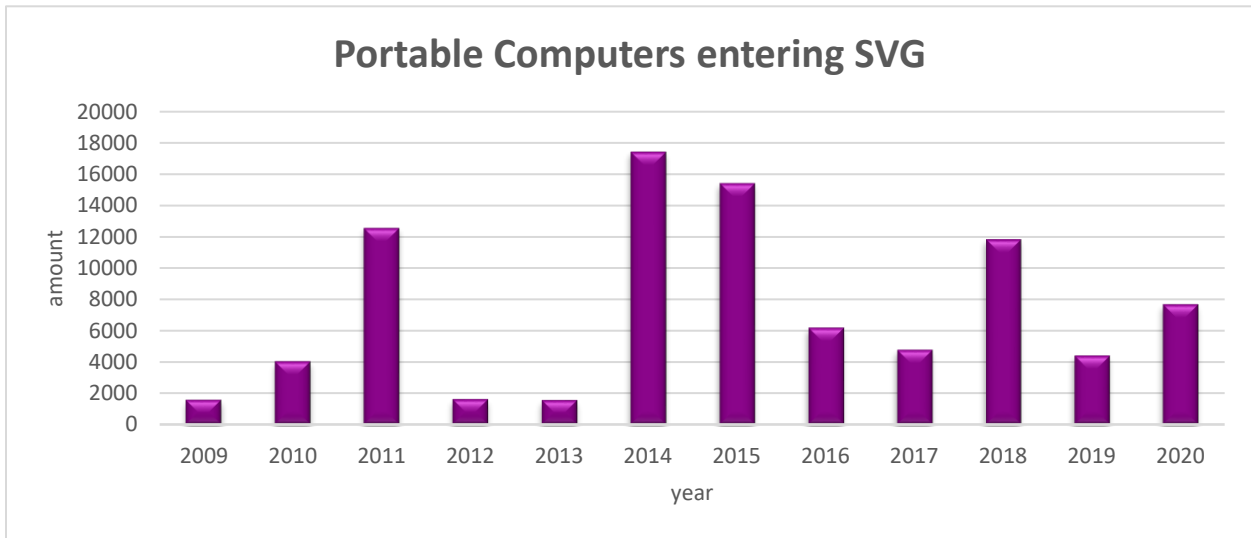


Fig 6. Portable computers entering SVG (Source: *The Customs and Excise Department*)

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 2019, there were Nine Hundred and Sixty-Three (963) units which were imported compared to Four Hundred and Ninety-Five (495) units for 2020. This represents a 48.6% decrease in the figures from 2019.

Figure 7

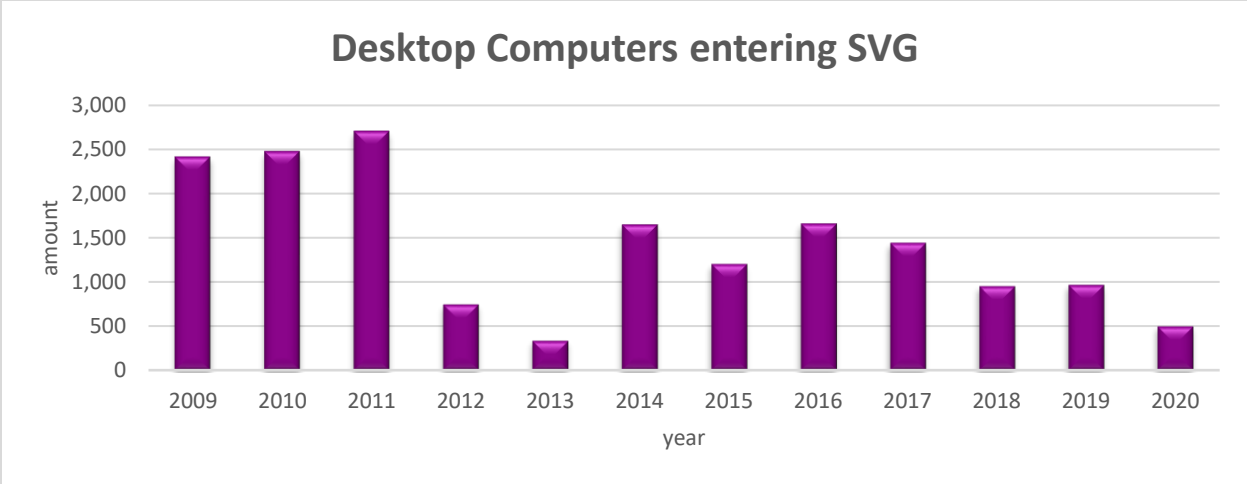


Fig 7. Desktop entering SVG (Source: Customs and Excise Department)

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 significant increase in the number of mobile phones being imported. The figure for 2019 was Twenty-Two Thousand, Eight Hundred and Nine (22,809) devices being imported while in 2020, the figure is now Thirty-Four Thousand, Nine Hundred and Eighty-Four (34,984).

Figure 8

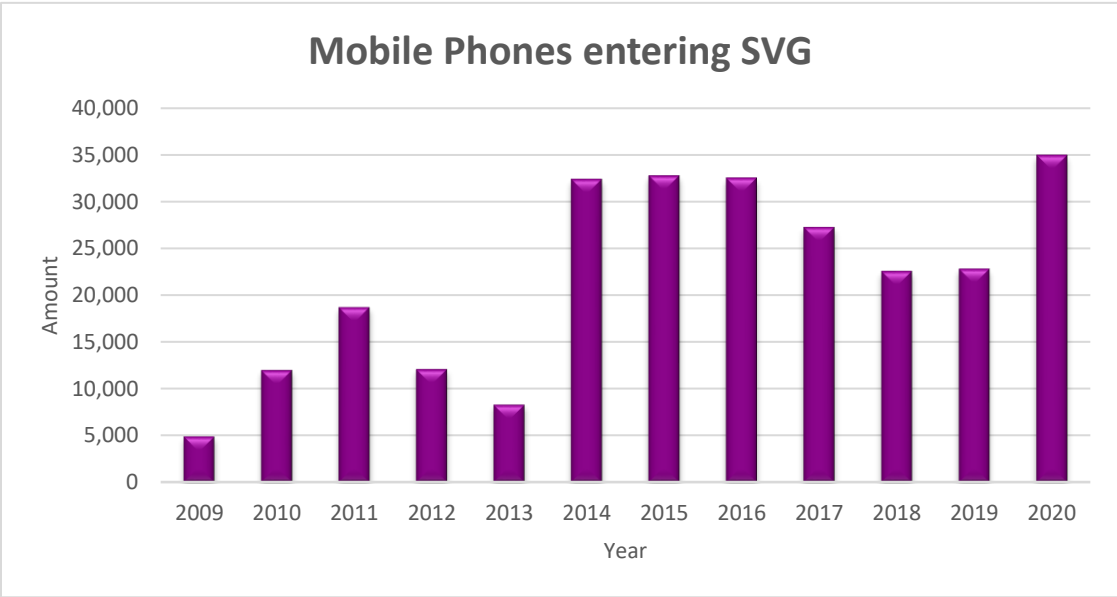


Fig 8. Mobile Phones imported (Source: The Customs and Excise Department)

3.5 PENETRATION RATES FOR TELECOMMUNICATION SERVICES

Figure 9 below shows the penetration rates for various telecommunications services over the last eight years.

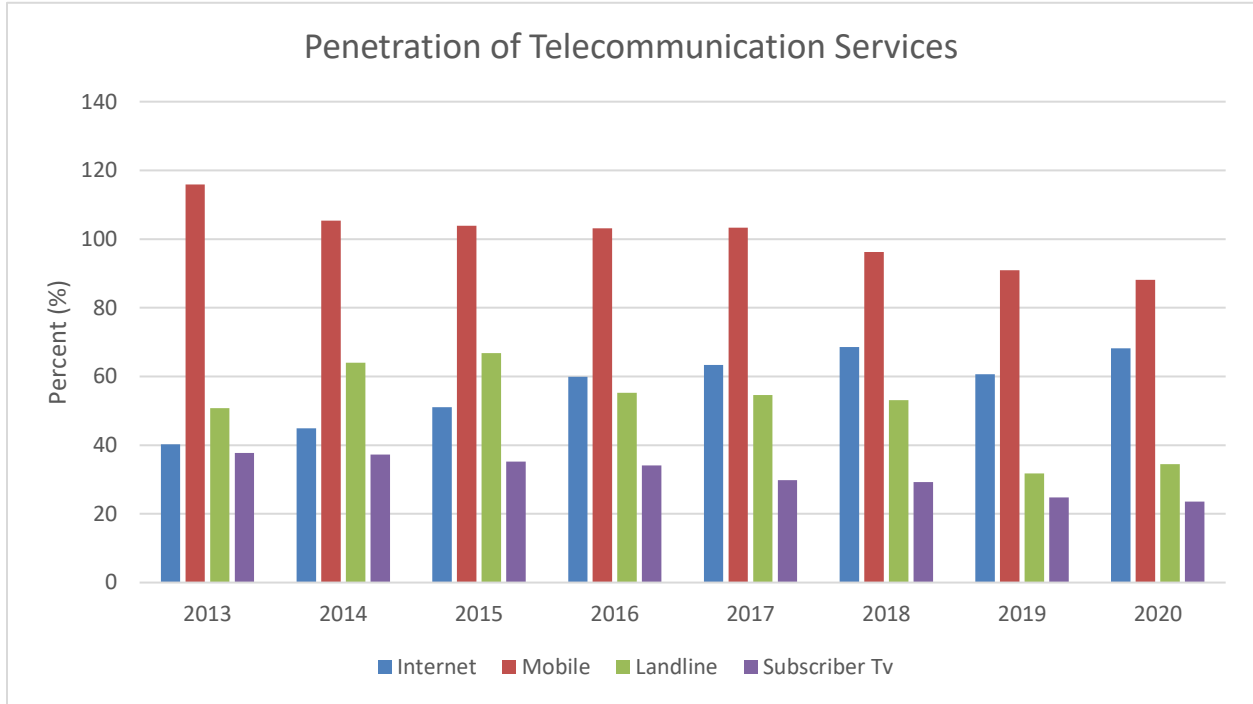


Figure 8: Penetration Rates (Source NTRC)

4 PRIORITY GOALS 2020

The Operating Plan for 2020 identified priority areas requiring the attention of the USF for the year 2020. The status of priority goal and the sub goals are as follows:

1. **The 2020 Operating Plan will be established by March 2020. This plan will set out the objectives of the Fund for the operating year 2020.**

The objective was complete. Although, the USF Operating Plan was scheduled to be completed by March 2020, due to delays in its preparation, the task was completed in April 2020.

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.**

This objective is incomplete as the NTRC was only able to receive funding for one project from the Ministry of Finance, Economic Planning and Information Technology. The project approved for funding would expand the GMDSS coverage to the southern Grenadines by erecting a site in Union Island.

3. **Monthly site visits would be conducted under the five USF projects to ensure that the equipment is functional, and services are in place at the various locations.**

This objective was completed. The USF conducted regular checks on all projects which have been implemented by the USF. This includes physical visits to the project sites to ensure that the service and equipment are functional. The NTRC also remotely monitor the services at the selected locations to ensure that the services are functional, and this is done daily.

4. **The USF will ensure that the new contract for the SMART project is entered into by the first quarter of 2020.**

This objective was completed. The new contract for the SMART project was entered into on March 26, 2020.

5. **The USF will ensure that VHF training is executed for the police at the Owia, Barrouallie, Rose Hall and Paget Farm Police stations.**

This objective was completed. The NTRC hosted four (4) VHF training sessions at Owia, Barrouallie, Rose Hall and Paget Farm Police stations

6. The USF will ensure that electricity is placed at the Mt Wynne Beach under the payphone project to provide power to the equipment.

This objective is completed. In October 2020, the NTRC liaised with the National Parks, Rivers and Beaches Authority to have electricity brought to the Mt. Wynne beach. The electricity was installed on February 28, 2021 and the equipment at the site are currently functional.

5 USF PRIORITY GOALS 2021

The USF priority goals for 2021 are as follows:

1. The 2021 Operating Plan will be established by March 2021. This plan will set out the objectives of the Fund for the operating year 2021.
2. The USF will seek funding for two new projects through the Ministry of Finance, Economic Planning and Information Technology.
3. Monthly site visits would be conducted under the five USF projects to ensure that the equipment is functional, and services are in place at the various locations.
4. Provide an internet connection to Fifteen (15) playing fields and hard courts throughout St. Vincent and the Grenadines.
5. Connect 340 needy households with an internet connection in our efforts to bridge the digital divide.
6. The USF will ensure that a GMDSS training session is executed with the Coast Guard radio operators.
7. The USF will ensure that electricity is placed at the Mt Wynne Beach under the payphone project to provide power to the equipment.

6 USF BUDGET ESTIMATES

The Fund is projected to receive Two Million, Two Hundred and Twenty-Eight Thousand Two Hundred Dollars (\$2,228,200.00) in 2020. Two Million, Two Hundred and Twenty-Five Thousand, Seven Hundred Dollars (\$2,225,700.00) is expected to be collected from the Telecommunications Service Providers and interest of Two Thousand, Five Hundred Dollars (\$2,500.00) is projected on the fund's balance in its saving account. It must be noted in 2020, receivables for contributions amounting to Six Hundred and Forty-Five Thousand Dollars (\$645,000.00) coming forward from 2019 were included to be collected in the 2020 projected figure. Had these receivables not been accounted for in 2020, the projected figure for 2020 would have been Two Million Two Hundred and Four Thousand, Six Hundred and Twenty-Six Dollars (\$2,204,626.00) which is Twenty Three Thousand Five Hundred and Seventy Four Dollars (\$23,574.00) lower than the 2021 projected amount