



**NATIONAL TELECOMMUNICATIONS
REGULATORY COMMISSION**
ST. VINCENT & THE GRENADINES

UNIVERSAL SERVICE FUND OPERATING PLAN 2016



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1.0 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) 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. This USF will encourage 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 also 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 payments received from telecommunication providers range from 0.25% of gross revenue for the first year of a license, 0.5% of gross revenue for the second year of a license and 1% of gross revenue with respect to the third year of its license and throughout the remaining period of the license.

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 2008

This was gazetted on April 22, 2008 and is retroactive to January 1, 2008.

This Order sets out the method for the calculation of payments and the deadlines for payments. This document is accessible at the following link:

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

1.2.2 Telecommunications (Universal Service Fund) Regulations 2008

This was 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 at the following 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. The basis for the development and use of the Guidelines are derived from the Telecommunications (Universal Service Fund) Regulations. This document is accessible at the following 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 at the following 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 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

For the year ended December 31, 2015, the Universal Service Fund was budgeted to receive a total of one million, two hundred and eighty-one thousand, five hundred and seventy-seven dollars (\$1,281,577.00) from telecommunication service providers, and interest on the account was projected to be twenty-five thousand dollars (\$25,000.00). The

actual revenue received by the Universal Service Fund in 2015 was one million, two hundred and eighty-seven thousand, five hundred and ten dollars and one cent (\$1,287,510.01). A total of twenty-five thousand, eight hundred and fifty-two dollars and twenty-one cents (\$25,852.21) was received as interest on the account. With the increase in the USF contribution, there was also a slight increase in the interest amount obtained which is due to the fact that the commissioning of the Payphone Project was postponed thus the project payments had to be deferred. This therefore resulted in more funds being available in the Fund's account than what was previously budgeted for. Furthermore, \$ 9,000.00 was contributed by some telecommunication providers towards the first MyApp Summer Program held in August 2015.

Expenditure

Recurrent:

For the year which ended December 31, 2015, the USF budgeted to spend four hundred and fourteen thousand, two hundred and seventy-one dollars and twenty cents (\$414,271.20) on recurrent expenditure. However, four hundred and thirty-six thousand, nine hundred and twenty-nine dollars and seventeen cents (\$436,929.17) was actually spent.

The USF contributed \$36,000.00 towards a new vehicle used for conducting field work. Furthermore, there was an increase in the advertisement/public relations amount spent as the USF contributed towards the purchase of its customized i2 competition banner and promotional items. Additionally, expenses incurred for the MyApp Summer Program were covered for by the donations received from the Providers.

Projects:

For the year ended December 31, 2015, the USF budgeted to spend two million and twenty-eight thousand and eleven dollars (\$2,028,011.00) for payment on projects. However, one

million, three hundred and sixty-three thousand, three hundred and eighty-two dollars and forty-three cents (\$1,363,382.43) was actually spent. The main reason for this is, the NTRC intended to have the Payphone Project commissioned by 2015 but this did not occur and some project payments were deferred.

Figure 1

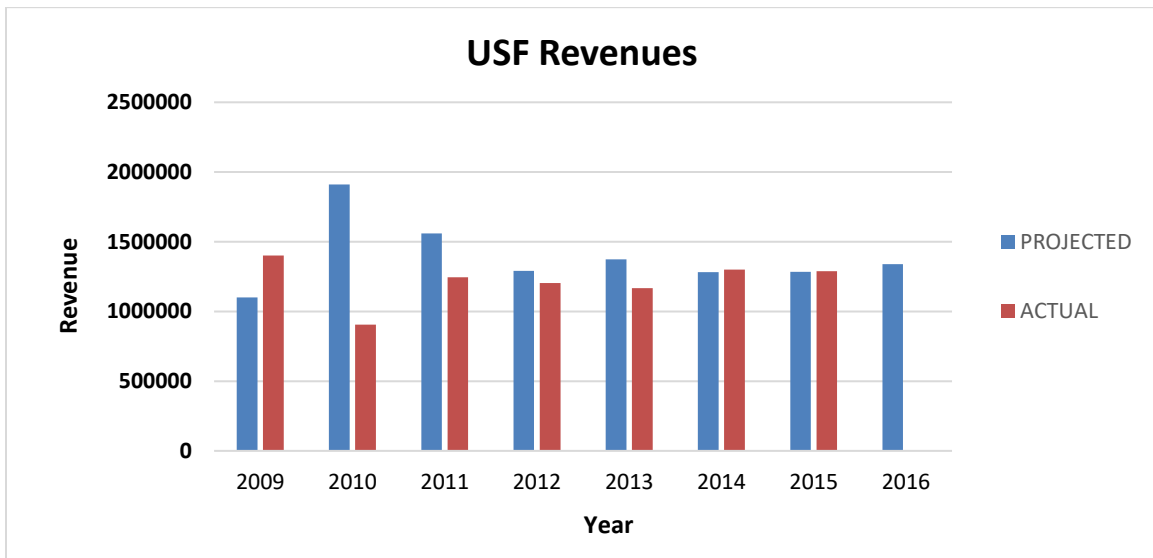


Fig 1. Shows data from the NTRC Annual Report 2015

2.0 Telecommunications in St Vincent and the Grenadines

Since 2015, there have been recent developments in the telecommunication projects which were implemented by the Government of St Vincent and the Grenadines, specifically, as it relates to the Caribbean Regional Communications Infrastructure Program (CARCIP) project. In relation to the USF projects, there were new developments under the SMART project. Programs on Mobile Application and Cyber Security at the St. Vincent and the Grenadines Community College are in their last semester before the first batch of students graduate. There has also been an increase in the number of households that have subsidized internet connection. The following outlines the other existing USF projects and telecommunication projects by the Government of St. Vincent and the Grenadines.

2.1 Universal Service Fund (USF) Project Status

In 2015, no new contracts were signed for the implementation of new projects by the USF. This decision was made due to the unavailability of funds to embark on any new projects. So far, the USF has undertaken a total of seven projects.

2.1.1 Internet Project

The first project undertaken by the USF in SVG was called the Internet Project, and was signed in collaboration with LIME, at a cost of four hundred and twenty-seven thousand, six hundred and eight dollars and ninety-eight cents (\$427,608.98). It saw twenty-eight (28) rural locations 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 will run for a period of five (5) years. As the project will be coming to a close in July 2016, the NTRC will be retendering the services for the project within the first quarter of 2016. Additionally, in an effort to reduce administrative work and the costs associated with this project, the NTRC has opted to combine the

scope of this project with the scope of the Community Center Project which contract will be expiring in March 2016.

2.1.2 Payphone Project

The second project is called the Payphone Project and was signed with LIME in 2011, at a cost of one million, four hundred thousand, five hundred and seventy-five dollars and forty-five cents (\$1,400,575.45). This project has seen twenty-five (25) payphones installed at various locations across SVG – including tourism sites, beaches and at points along the main road. Internet access will also be 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. All of the equipment has been installed, however, there has been a delay with the commissioning process due to inconsistencies with the camera footage from the cameras installed. The inconsistencies are occurring as a result of faulty line plants, sea blast interference, fluctuating power, and modems with unstable IP configuration. Steps are being implemented to rectify the issues identified and all camera feeds are expected to be up by February 2016.

2.1.3 Schools Project

The third, and largest project is the Schools Project – which provides internet services to all one hundred and seven (107) educational institutions via interior and exterior high-speed wireless connections, with speeds of up to 20 Mbps. This contract was signed in 2011 in collaboration with LIME, and the project was commissioned in 2012. The project is expected to come to a close in 2017. The cost of this project is five million, two hundred and thirty thousand, six hundred and twenty-three dollars (\$5,230,623.00) with a duration of five (5) years. There is also a content filtering system established for this project to prevent access to undesirable websites. In an effort to improve the internet connection being offered at the St. Vincent and the Grenadines Community College (SVGCC) Glen Campus given the large student population, the NTRC, through LIME, will be implementing a fiber network at the college with speeds exceeding 100 Mbps.

2.1.4 Maritime Project

The fourth project, which is the VHF Maritime 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 which also saw the implementation of a GMDSS system. The project is being executed for a total cost of One Million, One Hundred and Twenty Five Thousand, Seven Hundred and Eighty Dollars (\$1,125,780.00) and is being maintained for a period of five years. Five Hundred and Forty Thousand Dollars (\$540,000.00) 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 (\$585,781.00) was paid by the USF for the maintenance of the services and equipment over the 5 year period.

Global Maritime Distress and Safety System (GMDSS) is 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 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.

Under this project the control system was installed at the Coast Guard Base while three antennas and three transceivers were installed at the Mt St Andrews remote site. These two locations are also linked via a 2Mb leased circuit.

One hundred (100) VHF DSC handheld and ten (10) VHF DSC mobile radios were also procured under this project and were sold at a subsidized price of Four Hundred Dollars (\$400.00) to interested persons. The NTRC also distributed a number of the radios to registered fishermen throughout St. Vincent and the Grenadines.

Six (6) VHF base stations radios were installed at six (6) rural police stations throughout St. Vincent and the Grenadines to assist in the monitoring of the GMDSS. The purpose of these six radios is to provide access to both emergency and non-emergency communications which may occur within the Economic Exclusive Zone (EEZ) of St. Vincent and the Grenadines, with special emphasis on those areas which were not covered by the GMDSS system in place.

From the impact assessments conducted in 2015, it was noted that training in the use of the VHF handheld radios was needed. The Consumer and Public Relations Department of the NTRC has therefore developed a Public Awareness Plan for 2016 in which training sessions, which will be held in collaboration with the Coast Guard and Fisheries Department, will be hosted in the various fishing communities throughout the islands to educate persons on the use and benefits of the VHF radios. These sessions are scheduled to take place at five different locations, including two in the Grenadines, during the period April – August 2016.

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 (\$711,015.00), and is being implemented by Karib Cable 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 was commissioned on June 12, 2015 and the NTRC has been routinely monitoring the services provided to ensure that the necessary measures can be implemented to reduce the down time of the service. The project is expected to close in 2017.

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 at Learning Resource Centers, 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, at a cost of one hundred and nineteen thousand, five hundred and three dollars and twenty-nine cents (\$119,503.29), and is being 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 will also be 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.

As this project will be coming to a close in March 2016, the NTRC will be merging this project with the Internet Project and tendering the service of the newly merged project within the first quarter of 2016.

2.1.7 SMART Project

The seventh and last project that is currently being undertaken by the NTRC is the SMART Project. This project will facilitate the necessary infrastructure and platforms at the 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 will benefit 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. This project will be executed at a total of one million, six hundred and ninety-eight thousand, nine hundred and ninety-four dollars (\$1,698,994.00), and is being implemented by LIME. This project was commissioned on September 25, 2014 and is expected to close in 2019.

As of October 20, 2015, the three hundred and forty (340) quota for the subsidized internet service was reached however, the NTRC is still accepting applications for the service because in the following two years, the service will be provided to a new batch of three hundred and forty (340) persons.

The programs at the St. Vincent and the Grenadines Community College which include the Associate Degree in Cyber Security, the Certificate Program in Mobile Application Development and Advanced Mobile Application Development are currently in their second year. The Advanced Mobile Application Program did not commence in September 2015 as the number of applicants was insufficient. The NTRC has identified new courses which will be included in the program in order to upgrade it to the level of an Associate Degree for the new school year commencing in September 2016. The process of getting approval for the program to be turned into an Associate Degree level is expected to be completed within the first quarter of 2016.

2.2 Government Projects

The following projects were implemented by the Government of St. Vincent and the Grenadines through various ministries.

2.2.1 Improvement in Education through ICT

This project's overall objective was to develop human resources in the country, through the sustainable provision of learning opportunities for all persons in the State. This aims to equip persons with the required values, skills, attitude and knowledge necessary for creating and maintaining a productive, innovative and harmonious society. The project was funded under the 9th EDF Project. The initiative began in September 2008 and came to an end in 2014.

2.2.2 CARCIP

Caribbean Regional Communications Infrastructure Program (CARCIP) is another project being implemented in this country. CARCIP is a World Bank financed initiative which seeks to increase St. Vincent and the Grenadines' access to regional broadband networks, and advance the development of an ICT-enabled service industry in the Caribbean region. CARCIP will be structured into three components with corresponding subcomponents as follows:

Component 1 comprises of a regional connectivity infrastructure valued at US\$3.45 million. This component supports the bridging priority connectivity gaps in St. Vincent and the Grenadines and will connect the country with neighboring countries and regional backbones.

Component 2 comprises of an ICT-led innovation valued at US\$2 million. The objective is to stimulate growth of the IT enabled service industry and to position St. Vincent and the Grenadines, and the rest of the region, as attractive destinations for IT and IT enabled businesses.

Finally, **Component 3** is the Implementation Support Phase worth US\$0.55 million. The project was approved by the World Bank Board of Directors on December 11, 2012 and is expected to come to a close in July 2016.

The following objectives have been achieved to date:

1. An ICT skills and certification study has been completed. Prescribed courses were recommended, and will be supported through the project.
2. Equipment for an internet exchange point (IXP) was procured and became operational in March 2015. The management is working closely with the NTRC to launch the IXP by January 2016 and a committee comprised of a wide range of stakeholders will be established to advance IXP growth and development in St. Vincent and the Grenadines.
3. There was a launch in September 2014 to implement the Business Incubation and Training Grants Program. Several ICT and ICT-enabled businesses are expected to benefit from the program as contract agreements will be signed in the first quarter of 2016.

4. Training proposals have been issued for businesses that are interested in developing the skill sets of their employees, and for training institutions to deliver a prescribed set of training. The deadline for submission was February 6, 2015.
5. Lastly, an assessment of the broadband network in SVG was completed and the results are expected to be compiled within the first quarter of 2016.
6. The tender for the installation of the broadband network is expected to be launched the first quarter in 2016. This contract arrangement will be conducted through a public private partnership (PPP).
7. In the second quarter of 2016, a draft National Broadband Plan will be finalized through a consultative process with all relevant stakeholders.

2.2.3 SVGE-NET

This project provides an internet-based solution for the Ministry of Education, where stakeholders with access rights and privileges will have access to relevant educational resources from any location and at any time. It will comprise of two major sections:

- a) an internal framework (intranet) for use by staff of the Ministry of Education, Head-teachers and Teachers.
- b) a public website for access by other stakeholders (parents, students, etc).

This project was launched on March 27, 2012 and the website is being managed by the Media Unit in the Ministry of Education. The project was executed for a total of one hundred and seventy-seven thousand, four hundred and twenty-two dollars and two cents (\$177,422.02). This project was also a component of the improvement in education through ICT and came to an end in 2014.

2.2.4 Technical Vocational Education and Training (TVET) Project

This is a project undertaken by the Ministry of Education, which was launched in December 2012, and officially started in January 2013. The project is being done through a \$5 million loan from the Caribbean Development Bank and a \$1.4 million loan from the Government of St. Vincent and the Grenadines.

The main objective of this project is to increase the number of skilled and employable laborers in St. Vincent and the Grenadines, who possess certification that have national and regional acceptability; as well as to enhance employment opportunities for graduates and overall competitiveness in the country.

This will be carried out by training the teaching staff on a short-term and long-term basis, improving the infrastructure of the Technical Institutes and selected secondary schools, and provide equipment and supplies for the implementation of CVQ and NVQ programs; as well as introducing new services and facilities to meet the Caribbean Vocational Qualification (CVQ) standards.

The project will also train up to a maximum of 1,000 young people, who may be considered at risk. The project is expected to be completed by 2016.

2.2.5 Organization of American States (OAS) Sponsored Project: Microsoft Educator Certified

This project provides training and capacity building for teachers and educators while re-tooling classroom teachers so that both groups might ultimately change classroom cultures through the innovative use of ICT tools. Students will be encouraged to apply their knowledge to improving the quality of life in their countries with the successful products and services being showcased in a final exhibition. The project will be implemented through a collaborative process involving the five (5) Ministries of Education and tertiary institutions of Grenada, St. Vincent and the Grenadines, the Commonwealth of Dominica, Antigua & Barbuda and St. Kitts & Nevis. Each country is at a different stage of development in this process and it is expected that this

collaboration will enrich the body of knowledge of the building of capacity of teachers in integrating the use of technology to the teaching and learning processes. In the context of a limited budget.

3.0 Summary Market Assessment

The various projects that have been implemented by the NTRC have helped with the development of the telecommunication sector in St. Vincent and the Grenadines. With the implementation of the school project, internet access has been provided at all 107 schools in St. Vincent and the Grenadines. Therefore, students now have access to this service and can use their laptops at the schools. The laptops were given as part of the “one laptop per child initiative program” by the Government of St. Vincent and the Grenadines.

With the existence of the Public Institutions Projects, public servants at both the police stations and health centers now have increased access to the internet. Computers have also been provided under this project.

There has been an increase in the number of internet access points across the country. To date, the USF has over three hundred and twenty-eight (328) internet access points across the country. Recently added to this group are access points at Heritage Square, SVG Port Authority, Kingstown Cruise Ship Terminal and the Milton Cato Memorial Hospital. In addition, three hundred and forty (340) households have also benefited from the subsidized internet access under the SMART Project where they only paid \$10 per month for a maximum period of 2 years. This greatly enhances the lives of approximately 1,700 persons if we use the average size of a household to be 5 persons.

In 2015, the NTRC continued the execution of impact assessments on the various projects that the Commission implemented to gather feedback on the success of the projects and if there were any potential improvements that could be made. From the feedback received, the NTRC was able to include some activities in its 2016 work plan to have training sessions for fishermen on the use of the VHF handhelds. These handhelds radios were sold at a subsidized price to registered fishermen and some were also distributed by the NTRC to fishermen in the various fishing communities. These radios were procured under the Maritime Project and recipients in our impact assessment indicated that they needed more training. Therefore, training sessions will be facilitated island wide in 2016 with the assistance of the St. Vincent and the Grenadines Coast Guard Services.

Field work activities were carried out by both the Universal Service Fund Administrator and USF Assistant each fortnight in urban and rural areas throughout the country to get feedback from the residents of the various communities.

The following are some of the proposed projects received from individuals who completed the questionnaire, in addition to the suggestions of those who were consulted during the field work activities:

1. The placement of payphones in rural communities such as Georgetown and Keartons Bay.
2. ICT Training programs at the various Learning Resource Centers.
3. More public awareness activities to inform the general public about the work being done by the NTRC.
4. Introduction of free internet access to persons in low income bracket categories.
5. Providing ICT training in rural communities.

3.1 Revenue of Telecom Operators

Figure 2 below shows the revenues received by the respective telecommunication operators. The revenues generated by the telecom operators in 2015 increased by a small margin of 2.05%. The years in the table run from April 1 to March 31 e.g. 2002 runs from April 1, 2002 to March 31, 2003. This coincides with the financial years of Cable & Wireless (WI) Ltd and Digicel (SVG) Ltd. For the remaining entities whose financial years are not the same, their revenues have been apportioned to the same periods using the breakdown of revenues submitted to the NTRC. The total revenues have increased in 2015.

Figure 2

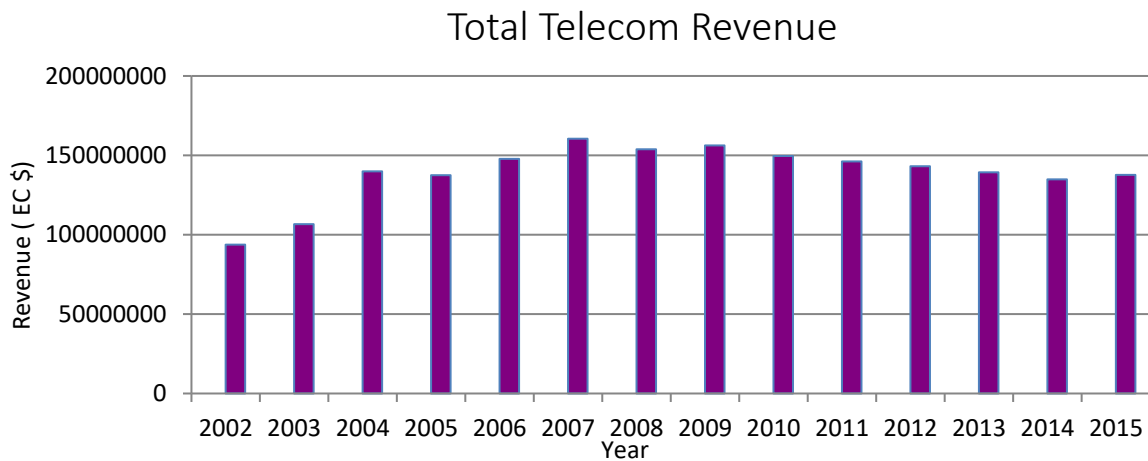


Fig 2. Shows data from the telecommunications providers in SVG

Figure 3 below shows the fixed line subscribers over a six year period. In 2015, the total number of subscribers increased.

Figure 3

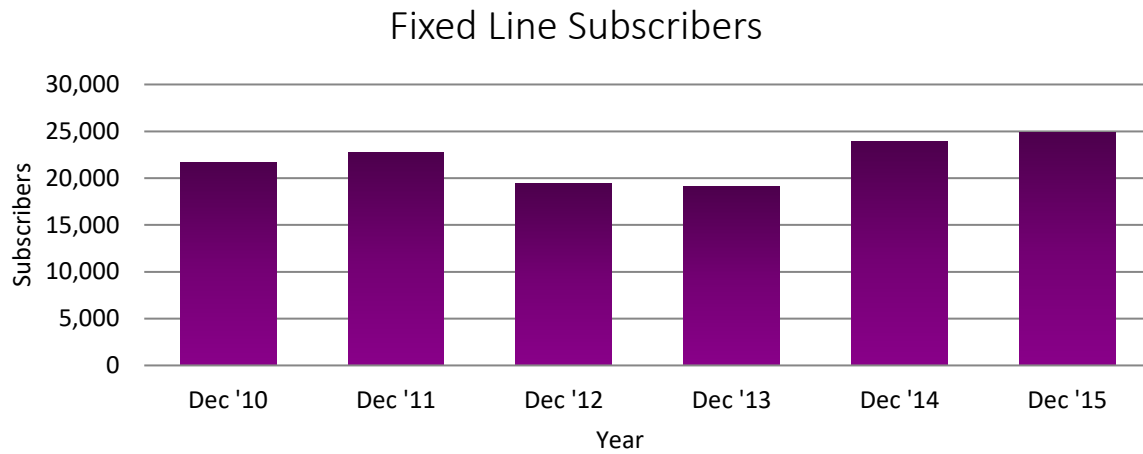


Fig 3. Shows data from the telecommunications providers in SVG

Figure 4 below shows that Broadband Internet Subscribers have increased from 2014 to 2015.

Figure 4

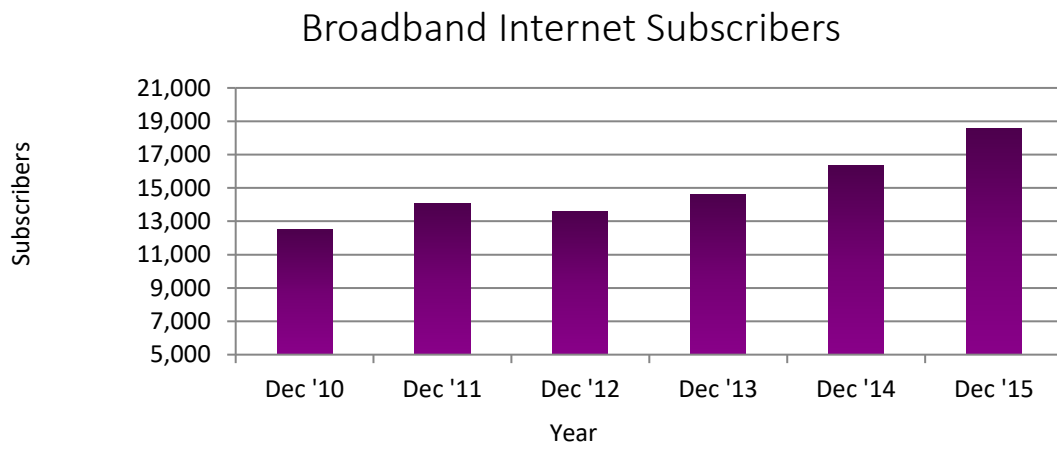


Fig 4. Shows data from the telecommunications providers in SVG

3.2 Portable computers entering St Vincent

Figure 5 below depicts the number of portable laptops entering St. Vincent and the Grenadines. In 2015, 4,531 laptops were imported in SVG. This is a significant decrease from the year 2014 which saw 17,417 of the devices being imported. This 74% reduction in imports can be attributed to the importation of the laptops for the one laptop per child program that was undertaken by the Government in the year 2014. As no new laptops were brought in under the program, this resulted in the significant decrease in 2015.

Figure 5

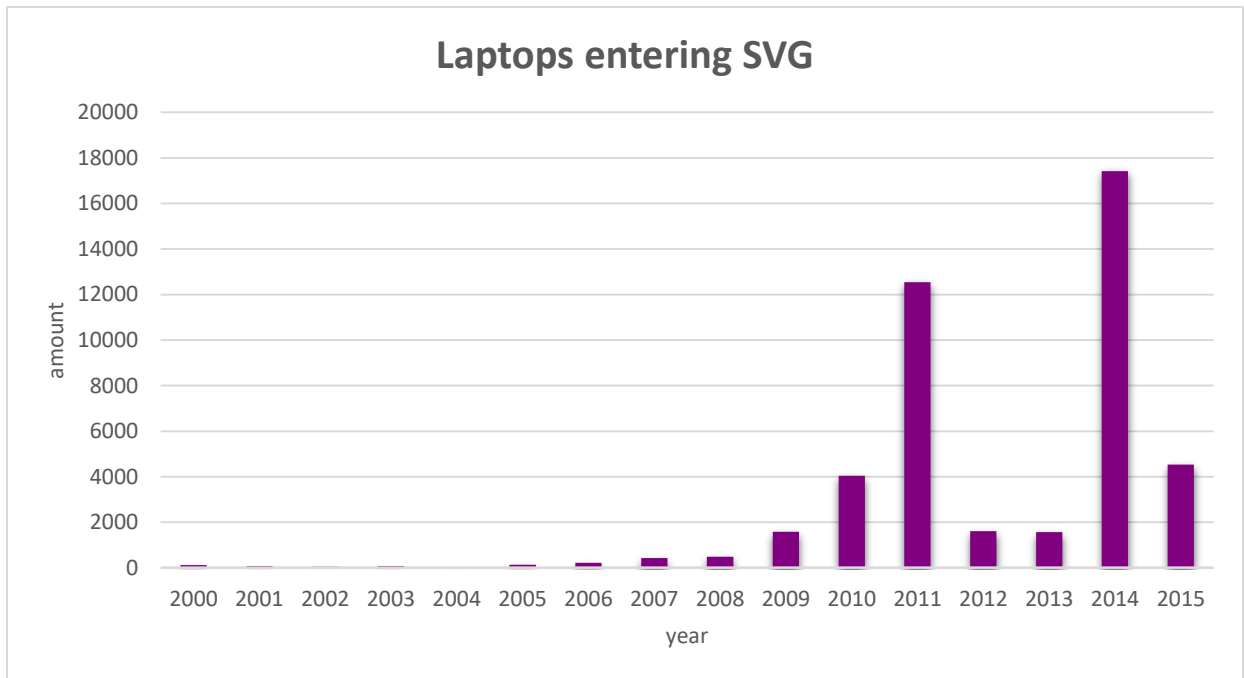


Fig 5. Shows data from the Customs and Excise Department

3.3 Desktops entering St Vincent and the Grenadines

Figure 6 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 2015, there were 1,199 units that were imported which was a slight reduction from the 1,645 units imported in 2014. This can be attributed to the fact that persons are opting to purchase portable computers rather than a desktop computer because of the easier mobility that the portable devices offer.

Figure 6

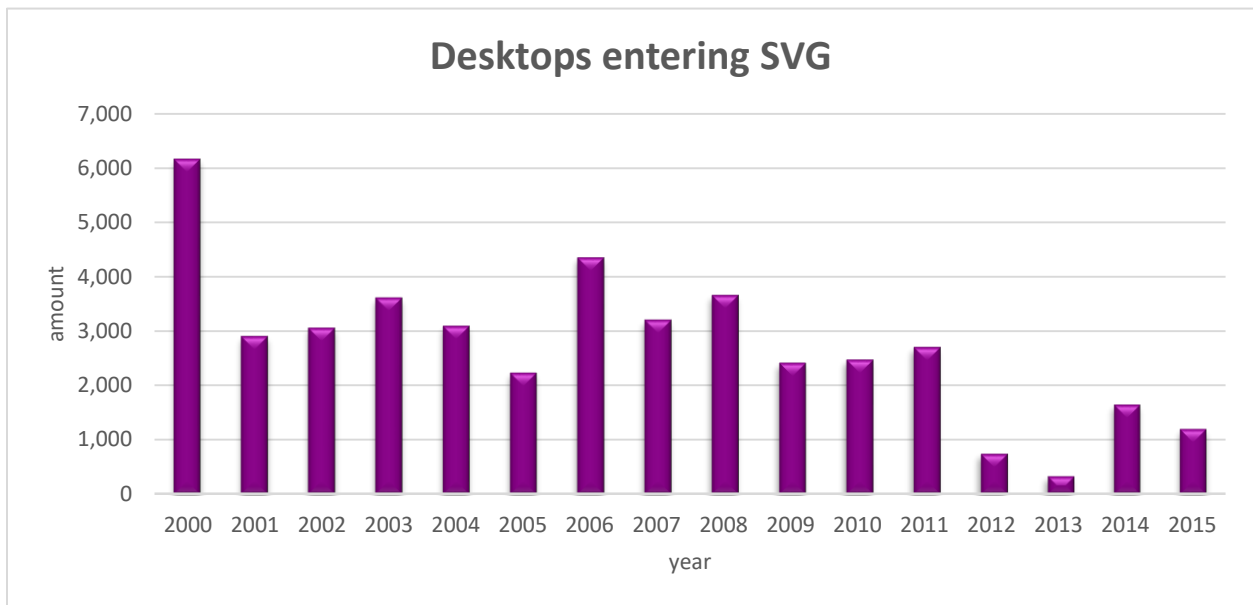


Fig 6. Shows data from the Customs and Excise Department

3.4 Mobile phones entering St Vincent and the Grenadines

Figure 7 below shows the number of mobile phones entering the country. The graph shows that there has been an increase in the number of mobile phones being imported. The figures rose from 32,416 mobile phones in 2014 to 32,774 in 2015, showing a 1% increase in the number of mobile phones imported in the year 2015. This amount can be attributed to the fact that the cost for smart phones has dropped which gives the average individual the opportunity to purchase a smart phone or to buy an upgrade.

Figure 7

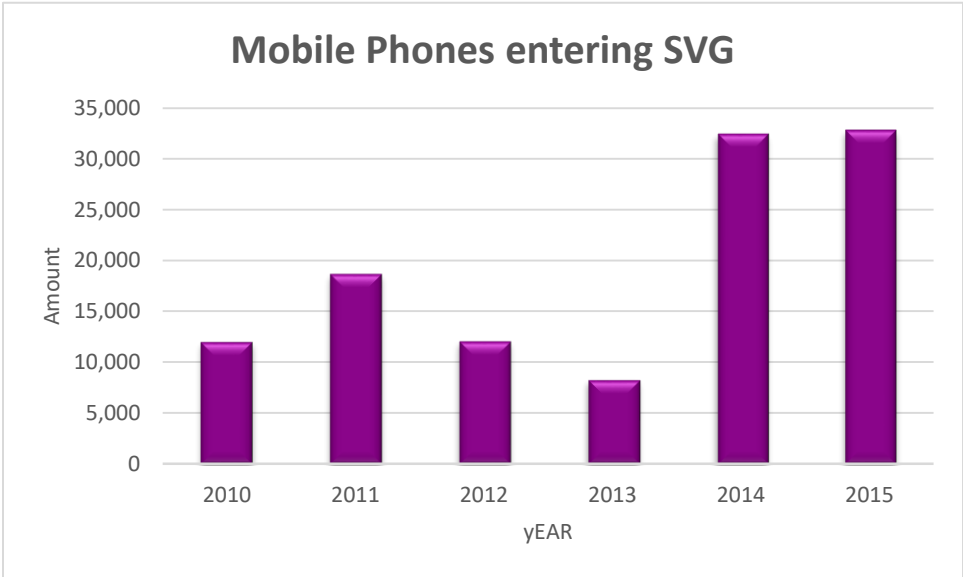


Fig 7. Shows data from the Customs and Excise Department

4.0 Priority Goals 2015

The Operating Plan for 2015 outlined one overall priority goal, which was to seek additional funding for the implementation of new projects. From this goal, two other goals were identified as priorities requiring the attention of the USF for the year 2015. This priority goal and the sub goals and their statuses are as follows:

1. Sourcing additional funding for the implementation of new projects

This priority goal was not addressed. In 2015, the NTRC completed the scope of works for three (3) new projects which we will be seeking funding for from external funding agencies given the scope and cost of these projects. These projects are primarily geared towards increasing the penetration of internet access. These projects will also include works and services to be provided in the other ECTEL member states and the NTRC SVG will be working along with the other NTRCs in the region on these projects to secure the necessary funding in 2016.

2. Getting the approval of the increase in rate of contribution from the telecommunication providers to the USF

This priority goal was addressed but was not completed. The new USF Regulations and Fees were sent out for consultation in 2015. This document outlines the proposed changes to be made to the existing regulations. The document is still out for consultation which will come to an end in the second quarter of 2016. Following this, the new regulations and fees will be put in place. This is expected to be completed in 2016.

3. To ensure that there is increased monitoring and impact assessment activities conducted at all locations under each of the seven projects currently being executed by the USF

This priority goal was addressed in 2015 as the Commission conducted monitoring and impact assessments nationwide at the sites under the seven USF projects implemented. Similar activities will be done in 2016.

5.0 USF Priority Goals 2016

The USF priority goals for 2016 are as follows:

- 1.** Continue to monitor the services and equipment at the various project sites to ensure that the services are being delivered.
- 2.** Conduct impact assessments at the various project sites under each project: Schools Project (107), Community Center Project (14), Internet Project (28), Police and Health Center Project (72) and to identify any steps/measures which can be implemented to improve the services to the various stakeholders accessing these services. Additionally, the NTRC will monitor the sites (26) under the Payphone Project via the camera feeds from the cameras that were installed at each location.
- 3.** An increase in the contribution rate to the USF by the telecommunication providers from 1% to 2%.
- 4.** Source external funding for projects to be implemented locally and regionally.
- 5.** Tendering of a new project to renew existing projects.
- 6.** Finalizing the commissioning process for the Payphone Project within the first half of 2016.

6.0 USF Budget Estimates

The USF is funded by contributions made by telecommunication providers as specified under the Act and by the Order of the Minister, any funds that may be directly appropriated by Parliament for the purposes of the Fund, and official grants, donations, bequests or other contributions, or transfers granted by an individual or other legal entity.

For the operating year of 2016, the Fund is projected to receive a total of one million, three hundred and forty thousand dollars (\$1,340,000.00) from the contributions of the telecommunication service providers and an interest on the account of two thousand, five hundred dollars (\$2,500.00). The interest amount is projected to be relatively low as a result of the expected commissioning of the Payphone Project in the second quarter of 2016 where payments will be made to the provider resulting in less revenue to earn interest from on the account.