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1 SUMMARY OF COMMENTS MADE IN SUBMISSIONS FOR 2ND CONSULTATION ON UAP BROADBAND SPEEDS

The 2nd Consultation on the interpretation of UAP broadband speed requirements was issued on 14th August 2014 and the deadline for submissions was 12th September 2014.

Three submissions were received. They were from:

- Digicel
- Telsat
- TVL

The key comments in each submission are set out by topic below together with TRR’s response in each case.

Item	From	Comment	TRR Response
1. First Industry Consultation: Representation of views expressed in comments received			
1.1	Telsat	Re Q2: Telsat considered that it was “slightly incorrect” to say that Telsat favours a 1 Mbps maximum speed to a 21 Mbps standard. By way of correction Telsat notes that it “suggested the 1 Mbps speed as a target for rural areas as opposed to 21 Mbps with an emphasis on providing as much capacity as is feasible/achievable in the area”.	Noted. However it is important to note that the overall policy target in the UAP remains at 21 Mbps. The purpose of the consultations is to clarify the best approach for interim interpretation of the target.
1.2	Telsat	Re Q3: Telsat clarifies that “the initial rollouts for the UAP should be focussed in areas which have already demanded/requested service; thereafter, the TRR or other relevant body should identify key ‘target’ areas to be covered such as all secondary schools, all medical centres etc to better target and deliver rollout services”.	Noted. In effect this is what is happening. The feedback that TRR and the licensees collectively are getting is that all areas wish to have telecommunications services at affordable prices. The Players who have been accepted for the purposes of the UAP scheme have based their rollout priorities on the expected size of the demand having regard to population size and other facilities that are located in each area.
1.3	Telsat	Re Q5: Telsat clarifies that it did not say there was ‘no demand’ but rather ‘no demand for 21 Mbps’. Telsat notes that there is demand for services at 512 kbps, 1 Mbps and 2 Mbps speeds.	Noted. The paper refers to ‘no clear demand’. TRR accepts that it may have misunderstood the thrust of Telsat’s point.
2. Guideline 1: Only 3G and later generation cellular mobile, broadband wireless and wireline systems will be considered to be compliant with UAP requirements for the provision of broadband services			
2.1	Digicel	Digicel notes that there are varying implementations and licence grades under the 3.5G standard “some of which provide speeds below the 21 Mbps download and 12 Mbps upload required by the UAP.” “There is no stipulation in the UAP that all of these services [the services that are listed in the UAP] must be provided via the same network infrastructure. As such Digicel believes that operators should be free to provide voice and text messaging through 2G/2.5G or 3G/3.5G infrastructure while providing broadband internet access with theoretical maximum speeds of 21 Mbps download and 12 Mbps upload through microwave P2P and P2MP technology or 3.5G infrastructure on a case by case basis.”	Noted. These comments are very helpful. It is certainly true that the UAP is technology neutral and that the various services listed in the UAP may be provided by different platforms. The principle will be recast to capture the point made, as follows: “1. The provision of the services listed in the UAP is subject to the technology choices of the relevant service provider. However, in order to receive resources from the UAP Fund or to be regarded in relation to proposed investments as a Player, the relevant service provider will need to (a) advise on the actual technology mix proposed, (b) demonstrate that the technologies are neither obsolete or obsolescent and will be supported by the manufacturer for the foreseeable future, and (c) demonstrate that the technologies in the proposed mix are capable, either at the time of rollout or through subsequent upgrading, of meeting the broadband speeds specified in the UAP.”
2.2	Telsat	Regarding the final summarisation points and the TRR’s proposed plans of 2 Mbps download and 1 Mbps upload; providing that service is an option and that other speeds higher or lower can be on offer to meet the financial capability of the consumer, we’re happy with the proposal.”	Noted.
2.3	TVL	“TVL accepts that 2G and 2.5G technologies may not deliver the broadband speeds that the UAP requires, however the company has over the years made a significant investment in these technologies. TVL plans to upgrade and suggests that 2G and 2.5G be accepted as contributions on	This comment is understood and it is considered to be adequately covered by the recast Guideline 1 set out at 2.1 above. The important part of TVL’s comment is the reference to an upgrade plan, which aligns with point (c) of the proposed revision.

		an interim basis where there is a clear plan on the part of the operator to upgrade these network assets to 3G/3.5G.”	
<p>3. Guideline 2: Network extensions that are part of the Universal Access Scheme shall be designed and operated to be available at least 99.9% of the time on a rolling 30 day average basis. For the avoidance of doubt, this availability standard does not take account of force majeure or other events outside the control of the network operator.</p>			
3.1	Digicel	Digicel notes: “Significant challenges are faced in remote locations with regard to network availability. It is not possible with any level of certainty to commit to 99.9% network availability in a remote location, even with a provision for force majeure. The unique challenges of remote sites, in particular site access, can on occasion mean that regular maintenance tasks take considerably longer than anticipated. Digicel suggest 98% network availability on a 30-day rolling average basis is a more reasonable and achievable target.	The difficulty of accessing remote sites is noted. TRR considers that the target for all sites should be 99.9% availability, but is prepared to accept that sites nominated as <i>remote</i> by service providers might be excused to the extent of 98%. The guideline will be suitably amended and will retain the rolling average suggestion.
3.2	Telsat	No specific comment	
3.3	TVL	TVL has explained in detail why it cannot guarantee this availability especially in remote and small island sites, and sets out some examples of the costs of additional battery capacity and of fuel reserves for generators that might be entailed. TVL has not proposed an alternative.	Noted. It is expected that TVL would be more comfortable – though perhaps not satisfied – by the proposed change to 98% availability in 3.1 above.
<p>4. Guideline 3: For broadband services for UAP purposes, the minimum download data rate shall be 2 Mbps and the minimum upload data rate shall be 1 Mbps and this shall be achieved at least 90% of the time on a rolling 30 day average basis</p>			
4.1	Digicel	Digicel notes “that for such speeds to be guaranteed to an end-user as a minimum available speed over 90% of a 30 day period a dedicated 2.7 Mbps of internet bandwidth capacity is required. With the current wholesale pricing of off-island bandwidth, and even if wholesale pricing were to substantially reduce, the cost to an operator to offer such a guaranteed minimum speed would be unsustainable. Digicel requests that TRR revise this requirement to allow for contention ratios to be applied rather than offering a minimum speed which is guaranteed over 90% of a 30 day rolling period.”	The wholesale pricing of off-island bandwidth is noted but is not the subject of this review. TRR would prefer not to specify contention ratios but to be concerned with outcomes that may be perceived and understood by users. TRR accepts that contention ratios will determine the actual speeds achieved. However it would also expect service providers to monitor the performance of their networks and take action to increase capacity when required to meet the target level. TRR has been careful not to refer to the standard as a “guarantee”, contrary to the suggestion in the comment.
4.2	Digicel	“Digicel believes an average speed of 1 Mbps/256 kbps is both sustainable and achievable.”	TRR accepts that an average speed of 1 Mbps/256 kbps is achievable, but considers that a greater effort should be made at this stage to move towards the data speed goal that is contained in the UAP. For that reason it intends to retain the average speed requirement of 2 Mbps/ 1 Mbps and will monitor industry compliance.
4.3	Telsat	No specific comment	
4.4	TVL	TVL considers the proposed speeds as too high and instead proposes minimum speeds of 1 Mbps for data download and 512 kbps for data upload.	TRR notes TVL’s views but will proceed as per comment 4.2 above.
<p>5. Guideline 4: Broadband service providers are at liberty to provide broadband services of any capacity on a commercial basis, provided that one of the options available to all customers is a service that meets the download and upload minimum speeds referred to in point 3 above.</p>			

5.1	Digicel	No comment	
5.2	Telsat	“Reading the final summarisation points and the TRR’s proposed plans of 2 Mbps download and 1 Mbps upload; providing that service is an option and that other speeds higher or lower can be on offer to meet the financial capability of the consumer, we’re happy with the proposal.”	Noted. Telsat appears to be satisfied on this point.
5.3	TVL	Agrees.	Noted.
6. Guideline 5: Service providers shall be expected to closely monitor the quality of service they are providing to ensure that the minimum requirements set out in this Guideline are met.			
6.1	Digicel	No comment	
6.2	Telsat	No specific comment	
6.3	TVL	Agrees.	Noted.
7. Guideline 6: TRR will require reporting on a regular six monthly basis of compliance with broadband quality of service requirements in this Guideline.			
7.1	Digicel	No comment	
7.2	Telsat	No specific comment	
7.3	TVL	Agrees.	Noted.
8. Guideline 7: From time to time TRR will review, with , industry, the operation of this Guideline and the related Quality of Service Guideline and their adequacy in the light of Vanuatu broadband market developments.			
8.1	Digicel	No comment	
8.2	Telsat	No specific comment	
8.3	TVL	Agrees.	Noted.