



Annual Report 2015

Vision: A communications environment
that enriches the social, cultural, customs
and commercial fabric of Vanuatu



Telecommunications &
Radiocommunications
Regulator



In accordance with section 11 of the Telecommunications and Radiocommunications Regulation Act 2009 (hereinafter referred to as “the Act”) the Regulator must provide the Minister with an Annual Report as follows:

11 Annual report

- (1) The Regulator must provide to the Minister an annual report including, but not limited to:
 - (a) a summary of the activities of the Regulator, and
 - (b) such financial statements and auditor’s reports as are required by this Act or other law; and
 - (c) a list of all entries and deletions to the Register in the preceding year; and
 - (d) a summary of material litigation involving the Regulator; and
 - (e) a list of consultants and advisors retained by the Regulator and a description of the matters in relation to which they have consulted or advised.
- (2) A contravention of subsection (1) is deemed to be a serious breach of duty by the Regulator.
- (3) The annual report provided to the Minister pursuant to subsection (1) must be made available to the public on the website.

This Annual Report 2015 is provided to fulfil this obligation.

31 March 2016

Honourable Prime Minister
Honourable Charlot Salwai Tabimasmās,
Minister Responsible for Telecommunications/ICT
PMB 9057 Port Vila

Dear Honourable Prime Minister,

Re: Telecommunications and Radiocommunications Regulator (TRR) 2015 Annual Report

I am pleased to provide you with our 2015 Annual Report as Prime Minister, and Minister responsible for Telecommunications/ICT. TRR is an independent statutory body of the Government. It is, however, under section 11 of the Telecommunications and Radiocommunications Regulation Act 2009 (the Act), obliged to provide an Annual Report for each calendar year to the Honourable Minister. The Report is to include, but is not limited to, a summary of the activities of TRR, audited financial statements including an auditor’s report, a list of entries and deletions in the Register in the preceding year, a summary of material litigation involving TRR, and a list of consultants and advisors retained by TRR.

This Annual Report fulfils that legal requirement and also provides more detailed information on our activities throughout year, 2015. A soft copy of this Annual Report can also be found at www.trr.vu for our stakeholders, including service providers and the public at large, to view.

2015 was unlike previous years for TRR with the devastating impact of Tropical Cyclone (TC) PAM, the significant loss of staff in July resulting in voluntary self-termination of 10 personnel and their replacement with fewer, more qualified and more adaptable staff, a change of Regulator near the end of the year, and the increasing implementation of the UAP projects for the rural schools and communities. The change of Government at the helm during 2015 had little impact on TRR’s working relations with your office and staff because of the close working relationship TRR has with GOV and all Members of Parliament, the clearly understood and important role played by TRR and, particularly, the need for TRR’s independence to be maintained at all times.. TRR has benefitted from this relationship during an involved and thorough period of seeking a replacement for, and recruitment of, the new Regulator. We are thankful for the support that TRR has had over many years now, and we look forward to maintenance of that excellent arrangement with GOV.

Although TRR has been through some challenging times in 2015, it has delivered significantly on many of its key projects such as: the UAP roll out to 15 schools and community centres, the signing of the Universal Access Policy (UAP) undertaking agreement by the UAP Players (TVL, Digicel and Telsat) now in place with TRR for them to roll out telecommunications services to at least 3G+ technologies to 25 new unserved and underserved sites at their direct cost and without any Government financial contributions.

TRR’s assistance and support to its stakeholders in making sure there is adequate and appropriate frequency assignment was made to aid relief supporters to establish a communications mechanism straight after TC PAM, the review of the radio apparatus licensing regime, the gazettal of the Consumer Protection Regulation, and the establishment of a ‘home grown’ initiative – TRR’s Community Consumer Champions.

I particularly wish to congratulate and acknowledge the Government and people of Vanuatu in winning a prestigious United Nations ICT Award for ICT in Sustainable Development in 2015 in recognition of Vanuatu’s achievements in information, communications and technologies (ICT) development and its sustainability. On behalf of industry, operators and all telecommunication providers we congratulate the people of Vanuatu and, particularly, GOV and its vision for ICT/telecommunications in its development of sound and appropriate Policies. As the Minister responsible for telecommunications and ICT, we send our direct and thanks to you. We extend the same to our colleagues at the Office of the Government Chief Information Officer as GOV technical advisors, and other Government departments, including the Office of the Prime Minister, and involved stakeholders; particularly the service providers for their provision of service to the people of Vanuatu and their continued support rendered to TRR in 2015.

I believe Industry and GOV forged a close bond during the post-cyclone recovery period and this, we believe strongly, is a bond that will continue to facilitate growth and development for ICT and telecommunications in Vanuatu. Together we will continue to work co-operatively towards achieving the requirements of the objectives of the Government's telecommunications policies, the objects of the Act, and the UAP goals for 2018, whilst maintaining TRR's independence.

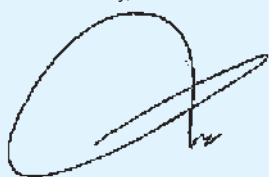
This year also saw the nationalisation of the role of Regulator and the appointment of the first ni-Vanuatu Regulator, and it will be my honour to serve the people of Vanuatu going forward. We will continue to focus on GOV objectives, and deliver for stakeholders and the citizens of Vanuatu, building on the excellent work of the past (expatriate) Regulators. The current success of TRR can be tributed to the 3 predecessor Regulators who have been instrumental in building TRR into an exemplary regulatory institution in the Pacific region, and globally. As a citizen of Vanuatu and Regulator of TRR, I fully recognize the excellent contribution made and work undertaken and delivered by my 3 predecessor Regulators. I sincerely thank them for that, and appreciate their efforts of good works in contributing to sound, sustainable and competitive economic development in Vanuatu. The achievements of TRR over a very short period of time since 2008 and liberalization, has been facilitated by the commitment of all Players, partners and stakeholders in advancing Vanuatu forward in its telecommunications/ICT approach.

We will continue with the engagement of expert technical assistance as well as ensuring a robust capacity training program that focusses on our new staff for 2016. This has been made possible with the help of the Australian Government and the World Bank to TRR towards effective regulation of the telecommunications and ICT sector industry, as a whole.

As Regulator, I look forward to journeying with the new TRR team into 2016 with confidence, trust, and in supporting GOV and ensuring that TRR is an effective telecommunication regulatory institute for the people of Vanuatu.

Should you require clarification on any aspect of this Annual Report I would be delighted to assist you in any way I can. You can also keep abreast of market developments and TRR's activities by accessing our website, and through the Reports which I will provide regularly to you throughout the year 2016.

Yours Faithfully,



Dalsie Baniala
Telecommunications and Radiocommunications Regulator

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Message from the Regulator



I am indeed very pleased to provide you with this year's Annual Report for TRR – my first as Regulator of this excellent Office.

Unlike the previous (2014) year, 2015 was an exceptional year for TRR - a whirlwind year - with the devastation left by Tropical Cyclone (TC) PAM, a significant loss of staff, but a gain of fewer, more qualified and more flexible and adaptable new TRR staff. There was also a change of Regulator – from an expatriate to the first ever ni-Vanuatu taking up this challenging role.

TRR was challenged in many directions and ways, but it managed to achieve and deliver on its 2015 work plan. I am proud too that TRR met those challenges head on with enthusiasm, resilience, courage and determination. We did so in an open, cooperative, transparent, effective, light-touch, but firm and fair approach as we have continued to demonstrate for some years now.

Our forward looking vision draws on our achievements from the past while embracing and having an eye to the future; and, particularly, the needs of Vanuatu's citizens.

The ICT sector is the fastest growing sector worldwide and Vanuatu cannot rest on its laurels, in any way, and we cannot watch or let progress pass us by in comparison with the rest of the world. Hence, Vanuatu's winning of an UN ICT Award in 2015 for Sustainable Development of ICT is something TRR is proud to be a part of in this effort, along with Industry and Government.

We understand the importance of telecommunications/ ICT tools to support learning, positively contribute to and

assist daily operations and personal use, and which are required for efficiently and effectively conducting business in Vanuatu. We also recognize the important role played by this sector in enabling our connection with families throughout our vast island geography that is held together by the vital mobile telephony system that is now expanding and being upgraded.

2015 saw TRR's rapid response and collaboration with GOV and operators in the wake of TC PAM. Immediately Post TC PAM the telecoms industry focussed heavily on recovering important infrastructure across the country while successfully maintaining efficient coverage throughout along with delivery of new services. My sincere thanks go to the major operators and GOV for ensuring telecommunication services were up and running in such a short space of time.

TRR's highest priority program in 2015 remained as implementation of the Government's Universal Access Policy (UAP) with the active installation of several Computer Lab & Internet Community Centre (CLICC) sites and school labs, Tablets for Students (TFS) and Internet Community Centres (ICS), as discussed in more detail in this Annual Report. This was aided by our team continuing with outreach and awareness programming on ICT tools and the development of relevant regulatory instruments that facilitate their safe and appropriate use. Our outreach programs reached specific communities on Efate, Port Vila, Santo rural, Luganville, Nguna, Malekula, Ambae, Maewo, Vanua Lava and Ureparapara, Pentecost, Tanna, Futuna, Erromango, Buninga, Makira and Epi.

The successful provision of telecommunications in 2015 would not have been possible without the continuous resilience of our operators and service providers in ensuring that Vanuatu remained connected with the rest of the world.

A number of regulatory and legislative tools were gazetted and passed during the year. These were facilitated through close collaboration and our effective working relationship with the Office of the Chief Information Officer (OGCIO) and the State Law Office (SLO). This includes the Consumer Protection Regulation and we thank the OGCIO and the SLO for their support on bringing this important legal instrument into effect. TRR also worked collaboratively and effectively with GOV in its development of the Cybersecurity Act; which is currently in the final status of its drafting before going out to public consultation in 2016.

TRR released a draft Regulation for public comment on the management and administration of .vu domain name; given .vu is an important national resource that must be equitably and securely managed and monitored. In supplementing our public consultation on management and administration of .vu TRR, for the first time, hosted its 1st Regulatory Internet Symposium which successfully discussed a range of important matters; including Net Neutrality, .vu Regulation, Child Online protection matters and other Internet Governance issues in Vanuatu. More than 50 participants attended this important event held in North Efate.

TRR conducted its first audit of spectrum frequency and signal strength late this year in specific areas, especially in Santo and Efate, with the results as detailed in this Report. Our team extended the drive test and monitoring efforts on Efate and in Santo for 40 sites.

This year again we continued to uphold and build on Vanuatu's standing in the region as an exemplary regulator and I could not be more proud of my capable new-look TRR team.

I recognize and acknowledge the valuable contribution and significant achievements of the former Regulator, Mr Ronald Box, who completed his 3-year term of office on 1 December 2015, my new staff, and the technical experts who have continued to assist TRR and provide support to the industry, consumers and to the PM's office through the OGCIO towards ensuring our 2015 work plan deliverables were delivered as expected. In July, TRR lost 10 staff as a result of voluntary self-termination, but we moved swiftly to recover this loss with the recruitment and engagement of excellent new staff. Mr Box's contribution to the development and expertise of this Office has assisted TRR to become a strong, firm and fair, independent regulatory body, recognised by peer Regulators in the Pacific region as benchmark.

It gives me great pleasure to provide this seventh Annual Report of TRR. It is presented and provided in accordance with Section 11 of the Act.

We see 2016 as a critical year in strengthening TRR and in assisting it to deliver on its required outcomes going forward, and in continuing to facilitate and support a strong, sustainable and competitive industry that will better serve the people of Vanuatu, in the manner they deserve for the years ahead. Our efforts in 2015 provide a strong platform towards achievement of this objective.

2015 Highlights

TRR's highlights, as a result of our ever-widening range of activities during 2015, in accordance with our 2015 and onwards work plan (refer to our website at www.trr.vu), included the following:

Vanuatu recruits first ni-Vanuatu and first female Regulator

TRR recognizes the Government's choice of Ms. Dalsie Baniala for our 4th Regulator, succeeding Mr Ronald Box, as an excellent one. That appointment was recommended through an independent Evaluation Committee for appointment of the Regulator as prescribed by the Telecommunications and Radiocommunications Act, 2009. The Prime Minister and also Minister responsible Telecommunications and ICT, Honourable Meltek Sato Kilman Livtuvanu (MP), on the 20th of November 2015 signed the letter of appointment of Ms. Baniala as the new Telecommunications and Radiocommunications Regulator to commence on 2 December 2015. Ms. Baniala is the first ni-Vanuatu appointed as Regulator, and the first woman to be chosen for this high office. The appointment followed the Government's long-term vision to localise the position since the institution was established in 2008. Ms. Baniala follows the successful period of TRR management and regulation under the expatriate Mr Ronald Box who successfully completed his 3-year term of office as TRR's 3rd expatriate Regulator. The Regulator tributes the current success of TRR to her 3 predecessors who have been instrumental in building TRR into an exemplary regulatory institution in the Pacific region and globally.

The achievements of TRR over a very short period of time since 2008 and liberalization, has displayed the commitment of all existing Telecommunications Operators, all Players, partners and stakeholders in advancing Vanuatu forward in its telecommunications/ICT development and approach.



The Hon. Prime Minister Sato Kilman Livtuvanu with the outgoing Regulator, Mr Ron Box and the newly appointed Regulator Ms. Baniala

Vanuatu wins Global ICT award



TRR Regulator and his staff members appreciating the award received by the Vanuatu Government

2015 was indeed a special year with the Honourable Prime Minister Sato Kilman, and Minister responsible for telecommunications/ICT, accepting a major award from the United Nations for Vanuatu's achievements in ICT sustainability. The award was especially prestigious since it was given on the important 150th anniversary of the founding of the International Telecommunication Union (ITU); the UN body with jurisdiction over ICTs worldwide.

With telecommunications/ICT continuing as the fastest growing sector in the world, Vanuatu cannot rest on its laurels, in any way, and cannot watch or let progress pass by in comparison with the rest of the world. Hence, Vanuatu winning the UN ICT award for Sustainable Development is an achievement to be proud of and TRR is pleased to be a part of this effort along with all contributing stakeholders.

The Prime Minister, in his speech accepting the Award, stated that, "All of these achievements were tied together by our National ICT Policy. This Policy specifically referred to the UN Millennium Development Goals, and it anticipated the UN's Sustainable Development Goals." TRR recognizes that significance.

The achievements of TRR over a very short period of time since 2008 and liberalization, has displayed the commitment of all existing Telecommunications Operators, all Players, partners and stakeholders in advancing Vanuatu forward in its telecommunications/ICT development and approach.

Tropical Cyclone Pam (TC PAM)

We applaud the efforts of mobile operators, and ISP's/other licensees, on their round-the-clock efforts to restore their networks widely across of Vanuatu following the devastation of TC PAM. During the days that followed TC PAM, urgent measures were taken to extend bandwidth and free up networks to avoid congestion, and to ensure families remained connected where circumstances permitted and were able to be reconnected as soon as possible.

Reflecting on the impact of TC PAM and the lessons learned, TRR has assisted and provided support to the OGCI0 with the development of a draft Telecommunications and Radiocommunications Disaster and Emergency Response Regulation. TRR has recommended the need for it to become a member of any formalised Government emergency response group for the telecommunications sector. TRR recognizes the lead role played by OGCI0 in the development of a National Disaster Management Plan and in briefing our Pacific Island neighbours on how (well) Vanuatu handled this high-level disaster; overall. The aftermath of the cyclone brought TRR, OGCI0, various Government units and all stakeholders closer together in restoring telecommunications and this promptly enabled the extremely quick (in many areas) restoration of communication infrastructure in the wake of TC PAM.

Telecom Vanuatu Ltd, Digicel Vanuatu and Telsat Committed – as Players - to roll out Universal Access to rural areas

TRR is pleased that three Players (TVL, Digicel and Telsat) have agreed and signed up on their commitment to upgrade and roll out their networks to at least 3G+ technologies to 25 identified unserved and underserved areas – all at their own cost (and no GOV financial contribution). With these commitments locked in through the undertaking signed with TRR, Vanuatu can expect to see some sites and operational from mid-2016.



The Government of Vanuatu through TRR signing of Commitment with TVL, Digicel and Telsat

Rolling out Universal Access Computer Lab & Internet Community Centre Programs

TRR concluded contractual negotiations with suppliers of goods and services and has now delivered on the first round of community programs under the Computer Lab & Internet Community Centre (CLICC), Tablets for Students (TFS) and Internet Community Centres (ICS) Programs. In preparation for all CLICC centres to be up and operational in early 2016, TRR organised relevant UAP and program training in August in Lycee for teachers, principals and school administrators. Further information on these projects is provided on page 23 of this Report.



Trainees after training sessions at the Lycee Lab School on the 28th of August, 2015

TRR's Community Consumer Champions Initiative

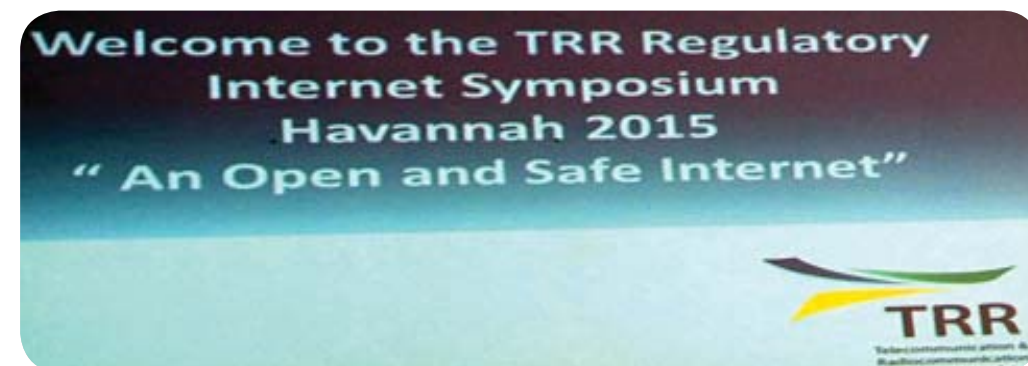
During National ICT Day celebrations hosted by the OGCI and TRR in Luganville Santo, TRR formally launched its Community Consumer Champions initiative. 16 TRR Community Consumer Champions were introduced and the initiative explained. This is a TRR "home grown" initiative and was established to provide a mechanism for community input through 'Champions' to represent their communities in any TRR event and, most importantly, contribute to telecommunications/ICT educational awareness by promoting key messages to the communities and schools they represent. TRR's Community Consumer Champions learn from TRR briefings and on-site experience. TRR's educational awareness programs for its Champions enables them to reach out to the citizens in their province and assist understanding of what consumers of telecommunications services can expect from their service providers, and other stakeholders like TRR and the Government, as well as what their obligations are. Page 41 of this Report provides more information on this TRR initiative.



TRR champions exploring the internet during ICT Day, Luganville

TRR's Regulatory Internet Symposium

As part of our public consultation on .vu country code Top Level Domain (ccTLD) TRR, for the first time, hosted a Regulatory Internet Symposium at Havana Harbour in November 2015. In supplementing our public consultation on management and administration of .vu TRR, the event also successfully discussed a range of important matters; including Net Neutrality, .vu Regulation, Child Online protection matters and other Internet Governance issues in Vanuatu. More than 50 participants attended. You can read more information on the outcome of this event on page 39 of this report.



An opening slide presentation welcoming the participation for the Regulatory Internet Forum

National ICT day celebrations extended to Luganville Santo was a huge success

The people of Luganville town readily acknowledged that they were privileged to be part of Vanuatu's celebration of the World Telecommunications and Radiocommunications Information and Society Day (WTSIS) - which is also recognized as the National ICT day celebration event, as, for the first time, it was celebrated in Luganville town. There were more than one thousand five hundred people who attended the both the parade and the 1 ½ days event that followed. More detail of this event is provided at page 21 of this Report.



Banner used by one of the participating schools in Luganville during ICT day parade

Consumer Protection Regulation

TRR is pleased to advise and inform all citizens of Vanuatu that the Consumer Protection Regulation has been gazetted is now in force. This will be an important and powerful tool for consumers to ensure that their rights are respected and that they have fall-back support mechanisms in place in dealing with their service providers over problems and queries.



A letter received from the minister responsible on approval for Consumer Protection Regulation

TRR Participated on National Trade Fair Day in August, 2015

TRR actively participated in the National Fair Trade Day celebration which was held over two days. During that time, TRR took the opportunity to promote and provide information provided on how the regulatory regime in Vanuatu could contribute to and facilitate fair trade in Vanuatu. TRR also focussed on educating citizens of Vanuatu who attended and participated during that event by hosting awareness on specific topics like positive use of ICT's to promote trade amongst the rural communities. The Department of Trade officially welcomed TRR's participation.



Shefa and Port Vila community champions gearing up for the show



Ms Baniala and Shefa Community Champions explaining to VIT students on the effective utilisation of ICT tools to enhance their studies

1.1 What we are

The Vanuatu Government, through the Telecommunications and Radiocommunications Regulations Act, 2009, provides for a regulatory framework for telecommunications and radiocommunications regulation. The Act also established a separate and independent legal regulatory body and under the name: “Telecommunications and Radiocommunications Regulator (TRR).

TRR’s core functions are to regulate and facilitate the development of the telecommunications and radiocommunications sector, manage Vanuatu’s scarce radio-frequency spectrum resource, safeguard consumers, and promote national, social and economic development.

TRR issues licences authorising a person to:

- provide telecommunications services to end users to and from anywhere in Vanuatu;
- operate a radiocommunications device; and
- use radio spectrum.

A key TRR role is to facilitate and regulate for fair and sustainable market competition, ensure licensees comply with their licence obligations and are providing quality, affordable and reliable services to the public and, importantly, consumers are safeguarded.

TRR must, at all times, act independently and impartially in performing its responsibilities, functions, duties and powers as set out in the Act and other laws of Vanuatu; and its actions and decisions must be free of political influence. This is a critical ‘must’ for TRR’s credibility, reliability, sustainability, integrity and effective ongoing relationship with all of its stakeholders.

TRR is highly recognized amongst its peers as the leading Regulator in the Pacific Region, and it wishes to build on that towards being an exemplar Regulator.

Our Annual Work Plans and Information on current projects, recent achievements and activities is available from our website on www.trr.vu.

1.2 Our Vision, Mission and Values

TRR’s vision, mission and values are as follows:

VISION

A communications environment that enriches the social, cultural, customs and commercial fabric of Vanuatu.

MISSION

To develop a competition led market for the provision of innovative information and communications services, available to all, which: **encourages** sustainable and economically efficient investment; **respects** the interests of consumers; **fosters** ecologically friendly initiatives; and **supports** the social, cultural, customs and commercial welfare of the Vanuatu.

To continue to build as an exemplar regulator within the region through thought leadership and to be the employer of choice by: **investing** in our people to develop a professional, passionate team; **transparency** and **fairness** in operations; and **adherence to quality assurance**.

VALUES

Inspiring: Our imagination, clarity of thought and clear leadership stimulates innovative thinking that meets the needs of tomorrow.

Commitment: Our drive and determination to achieve excellence, our discipline in the execution of our duties, our focus on the development of our team, and our sense of responsibility instil passion for the development of Vanuatu.

Respect: Our respect for each other is ensured by listening, collaborating and having consideration for each other, the public and licensees we work for, the rule of law, confidentiality, intellectual property, customs, environment, and future generations.

Balanced: Our evidence based approach to decision making and our adaptability ensure that we remain proportionate, consistent, fair and just.

Transparency: Our open and inclusive approach to regulation ensures that we are held responsible and our actions and decisions are understood.

1.3 Our Team

We face challenges year to year – and that is anticipated and expected to continue in TRR’s life - and 2015 was no exception with the devastating impact of TC PAM, the pace, wide nature and variety of issues we have had to face and resolve, as well as a change of Regulator and staffing issues. This has required the TRR team to have more agility, dynamic skillsets and development in telecommunication regulation matters; including economics and market behaviour, internet governance, on-line and cyber security, technical and consumer issues; and human resource and effective, collaborative working as a staffing unit.

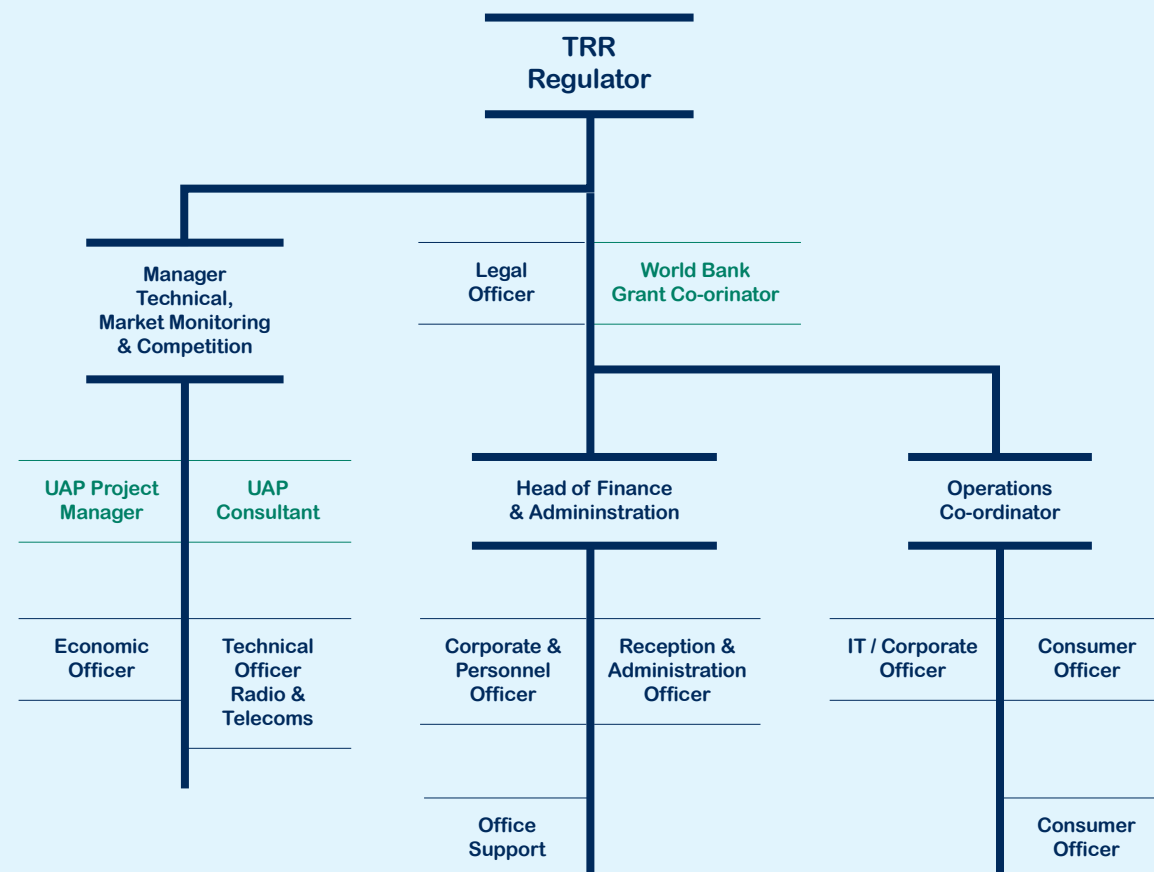
TRR retained its prime focus on a range of UAP rollout programs, and this also influenced our 2015 strategy, thinking, work priorities and deadlines. We responded to the voluntary self-termination of 10 personnel, and termination of other staff for poor performance, by engaging fewer, better-qualified and more adaptable staff with the right mind-set, skills and talent, to join our hard working retained TRR staff team. (See also Section 3.5 of this Report).

TRR focussed its recruitment towards ensuring staff are fit-for-purpose, committed, well-matched with the existing staff, are passionate proactive, and loyal to and have respect for the Office of TRR. TRR’s aims and objectives in staffing its Office is to provide for the essential requirement of a sustainable, competent and capable Regulatory Office. The ‘new’ TRR Team – a mix of existing and newly recruited personnel – have been passionate, committed and enthusiastic in delivering on 2015 work plan required outcomes. In the last three months of 2015, the TRR Team have been growing and developing capacity in broader areas of work and responsibilities, are more proactive, flexible and outcome focussed, and have worked cooperatively together to build on the wide-ranging and comprehensive experience they had in their previous jobs and the lessons from the petition, towards widening the understanding of TRR’s role, capability and responsibilities as an independent regulatory institution.

During the year TRR hosted a number of interns as part of our approach to recognizing young talent and prospective regulatory staff.

Management and staff underwent wide ranging capacity building training, both nationally and internationally, on telecommunications/ICT policy and regulatory services, market and competition, and consumer issues. We are building experience, quality and reliability in our new team and their dedication towards ensuring that the appropriate telecommunications/ICT Regulatory regime for Vanuatu is in place and continue to sustain, is critical.

The current and anticipated TRR structure to meet our deliverables is set out in the opposite page:



1.4 TRR’s 2015 and Onwards Work Plan and Priority Deliverables

TRR develops an Annual Work Plan (see www.tr.vu) with the objective of informing its stakeholders of our key commitments, projects and priorities in carrying out TRR responsibilities set out in the Act.

In setting out the 2015 and onwards Work Plan TRR reviewed and considered:

- the progress made in the sector since the creation of the Office of the TRR in 2008;
- issues which are of concern to the industry and stakeholders through a series of discussions and meetings throughout the previous year(s);
- the National economic and social policies and programs being pursued by the Government;
- the Government’s National Information and Communications Technology (ICT) Policy, Cybersecurity Policy and Universal Access Policy (UAP);
- TRR’s Vision, Mission and Values; and
- Whether new Regulatory instruments are required and the fitness for purpose of the existing instruments.

The Work Plan is centred on the following key themes:

- Economic and social support; in particular, for unserved and underserved areas.
- Telecommunications sector development and promotion of sustainable competition.
- Safeguarding the interests of consumers.
- ICT services transition.
- Institutional strengthening.

We continue to draw on the Government’s Priority Action Agenda (PAA), its 2007 Telecommunications Policy Statement actions in ensuring ICT for all, and the Government’s approved National ICT Policy, its UAP and its Cybersecurity Policy. For 2015 TRR’s focus was as follows:

The following were the top priority issues/tasks for TRR for 2015:

I. Market & Competition

- Implementation of the Government's UAP & all UA and ICT initiatives; including connecting schools and connecting community internet cafes.
- Review and determine relevant telecommunications markets, including wholesale services.
- Establish an efficient and effective database for collection and provision of market statistics.
- Establish and develop rules on promotions for the telecommunications retail market.

II. Legal

Conduct a review of Licence terms and conditions

III. Engineering and Technical Compliance

- Develop a Quality of Service (QoS) Regulation
- Conduct an assessment of industry compliance with the Quality of Service (QoS) Regulation
- Conduct a Mobile Network Signal and Internet Coverage Audit
- Monitor compliance with the new Radio Apparatus Licensing regime
- Develop and Implement a new Spectrum Fees Schedule

IV. Internet Governance

- Finalize and implement a .vu ccTLD Management and Administration Regulation
- Consult on, and consider the need for and benefit of, establishing e-Smart school programs
- Facilitate finalization of the Vanuatu Child Online Protection Strategy Framework
- Consult on the benefit of establishing a prohibited content/gateway filtering for minors
- Increasing citizens awareness of Internet Governance (IG), and the safe use of the internet

V. Consumer Affairs

- Monitor the implementation and the effectiveness of TRR's consumer Protection Regulation (CPR).
- Establish, utilize, support and monitor TRR's Community Consumer Champions program.
- Widen representation of TRR's regulatory Business and Consumer Advisory Groups (BAG and CAG).
- Establish and conduct regulatory telecommunications/ICT consumer surveys.
- Develop a National recognition and celebration of World Consumer Day, March 15.
- Support and promote Vanuatu's National ICT day Celebration, May 17, of the ITU's World Telecommunications and Information Society Day.
- Continue to increase consumer education and awareness.

1.5 Training & Capacity Building

TRR recognizes that training and capacity building is essential for it to develop a strong, experienced and committed team, able to face the ever-increasing pressures and challenges placed on the organization through telecommunications/ICT provision and take-up.

TRR's commitment to enhancing the capacity of all TRR staff remained a key focus and high priority in 2015 and this will continue in to 2016 with our new Team. Our 2015 training plan, developed at the beginning of this year, included in-house sessions and international participation in conferences, meetings and attachments.

The training and capacity building modules included:

- **Attachments**

As part of TRR's efforts in stepping up its internet governance functions, TRR staff had in attachment with the .nz Domain Name Commission (DNC) in Wellington, NZ. The attachment focused on understanding the management of the ccTLD resource (.vu for Vanuatu), and specific internet related issues affecting regulatory services and competition; including domain management and related administrative regulations. This included time with various sections of .nz Domain Name Commission teams in policy development, communications, information box and dispute resolution services, and security (DNSSec), as well as with the Registry manager

and the Registry of marketing personal. This attachment provided the opportunity for exchange of ideas and strategies on the proposed .vu ccTLD, its management structure and the regulation currently in consultation was taken. A further attachment is expected for February 2016 and this will assist TRR in the finalization and implementation of Vanuatu's draft .vu Domain Name Management and Administration Regulation.

- **Project Management**

TRR manages a wide range of projects to deliver on its required outcomes, and investment in project management training for our staff is important. This year our UAP team attended training with the University of Auckland, learning about the fundamentals of project management. It covered methods of planning projects; organizational structures and information management for project teams, project leadership and conflict management; risk management; scheduling and cost control.

- **Executive Financial Management**

The Finance management team attended a Chief Finance Officer (CFO) Training facilitated by EuroMoney in Sydney. The course was of great benefit to the financial management function of TRR with insight and knowledge of executive financial leadership being provided. The training has assisted the officers to present enhanced Financial Reports an executive level. A key outcome from this was the development a Financial Strategy for TRR based on the new toolkit and concepts relative to a regulatory institution by the attendees. As a result, TRR has drafted and in the process of finalizing its Financial Strategy linking it to its 3-Year Strategic Plan.

- **Regional Training & Networking**

The Asia Pacific Telecommunity (APT) Policy and Regulatory Forum for the Pacific (PRF) meeting held in Tonga discussed Pacific-wide APT policy and regulation issues; focussing on pacific island issues, problems, and areas of interest. It was a key capacity building opportunity for TRR staff that attended to meet fellow counterparts from around the region and explore issues of relevance.

The Asia Pacific Universal Service and Broadband Forum in Thailand in April saw TRR present Vanuatu's experience in universal service implementation, lessons learnt and Vanuatu's challenges, and its significant successes. Vanuatu is seen as a leader in the field of UAP implementation – particularly in the Pacific - and as a model for others to consider and follow.

- **International: ITU Global Symposium for Regulators**

The 15th ITU Global Symposium for Regulators took place in Libreville, Gabon, in June 2015. ICT Regulatory Heads and experts explored ways to ensure the benefits of social and economic opportunities brought by the digital economy. For digital opportunities to fully materialize in today's increasingly complex and pervasive environment, an adaptive, consultative and innovative approach to regulation is more than ever required. TRR fully agrees with and has applied this approach for some years now. Regulators, policy makers, industry leaders and other key ICT stakeholders shared high level views, engaged in interactive discussions on addressing regulatory instruments that would help close the digital gap. The Regulator attended this Symposium on behalf of Vanuatu, made presentations focussing on Vanuatu's post-cyclone recovery efforts and the efficiency of telecoms operators and Government in ensuring swift restoration of communication services. He also chaired a high level discussion panel.

- **Database training**

In-house, hands-on, training for the TRR ICT and Economic staff was facilitated by a local database developer: Alpha Vanuatu Limited. This training focussed on the maintenance and administration of TRR's newly developed statistical database and information management system. This will assist TRR to develop more detailed aggregate data in our reporting.

- **Telecom Strategy for the Pacific islands**

TRR staff attended a Senior Management training Workshop on Future Telecom Strategies for the Pacific Islands, held in Nadi, in November 2015. It was an opportunity to bring some of the newly recruited TRR staff up to speed quickly as well as introduce them to the future and our fellow partners around the region; and the ITU chapter of Asia-Pacific. The training was part of the preliminary strategy study work that Pacific Island Telecommunications Association and the International Telecommunications Union Centre of Excellence for the Asia Pacific organised, in the ongoing annual collaboration to bring high level capacity building for telecom professionals in the region.

2.1 Technical Assistance continues the invaluable support to TRR and Vanuatu under a World Bank Grant

Without the financial Support of the World Bank (WB) Grant and Aid donor funds from the Australian Government (through DFAT/Australian Aid), the current regulatory regime for Vanuatu would not have come this far in terms of the level of its performance and recognition by stakeholders in Vanuatu and across the region. This vital support has also led to expanded roll out of telecommunications networks and services into unserved and underserved areas.

With Aid Donors partnering and collaborating with GOV, TRR, the industry, and other key stakeholders, promotion and development of Telecommunications and ICT across the country is greatly enhanced.

Vanuatu's PAA to 2015 highlights telecommunications/ICT as essential to the improvement of services. In meeting its Millennium Development Goals, the Government "in conjunction with the private sector, must make available the benefits of new technologies, especially information and communications." Towards this objective, in June 2013 an extended (World Bank) grant was secured from the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA); collectively known as the World Bank.

After two and a half years of implementation and utilization of the WB Grant until December 2015, TRR has moved closer to developing the required experience, necessary regulatory tools and skills base towards becoming a knowledgeable, self-motivating telecommunications regulatory authority.

TRR is once again, pleased with the results of a World Bank November financial review which delivered a satisfactory rating for TRR; and so we continue to maintain our status as the leading ICT regulator in the Pacific region.

2.2 Australian Aid through Governance for Growth supporting UAP

We are grateful for the continuation of the strong partnership TRR has with Australia's Governance for Growth (GfG Team); particularly in the rolling out of UAP programs and the administration of the UAP fund for which Australia has made a significant donation to. In that respect, the Government of Australia continued its support by facilitating the provision of UAP funds in order that we roll out services to under-served and un-served areas under GOV's UAP requirements. UAP funding, the WB Grant funding and budget from TRR are instrumental in ensuring that communities gain access to good telecommunications services, while enhancing the regulatory and service capacity of both TRR and OGCI.

We continue to acknowledge this partnership with the GOV through the OGCI, the World Bank and the Australian Governance for Growth (GfG) program for their confidence in TRR in administering this Grant, and thank them for their support.

TRR provides quarterly and six-monthly written reports to both the World Bank and the Governance for Growth donors, as well having as bi-annual face-to-face meetings with the World Bank and regular meetings with GfG.

3.1 General

TRR continued to build on its strong, cooperative working relationship with the Government and the OGCI by providing technical advice and guidance on regulatory and policy issues, whilst ensuring it maintained its independence. Regular reporting and updates on our operations and progress of TRR activity at 3-monthly intervals throughout the year ensured that the Minister responsible for Telecommunications & ICT and OGCI are kept abreast of all key matters TRR is addressing throughout the year. TRR also provides six-monthly, in-confidence, Reports to the Minister on the implementation of the UAP.

During the year, Government changed hands (on the 11th of June) resulting in the Honourable Sato Kilman Livtunvanu ascending to Prime Minister (once again) and becoming the new Minister responsible for telecommunications. TRR acknowledges the sound working relationship it has with the Government and thanks the (outgoing) Minister responsible for telecommunications prior to 11 June, Hon. Joe Yhaskowaie Natuman, for his efforts towards ICT/ telecommunications advancement.

3.2 TRR joined citizens of Vanuatu to mourn the loss of the former Minister responsible for Telecommunications – the Late Hon. Edward N. Natapei

In late July, Vanuatu lost its leader behind telecommunications liberalization in this country. TRR staff attended the state funeral service which took place at the Parliament Building. Along with other organisations in Vanuatu, TRR showed its deepest and heartfelt condolence to the family of the late Hon. Edward N. Natapei and the Government of that time for the big loss to this nation.

3.3 Policy Development

GOV, through OGCI's lead, continued the development of Cybercrime Legislation and TRR provided full support to OGCI in progressing it towards the finalisation of this important instrument. TRR assisted with the development and provided its views and advice on a draft of the Telecommunications Emergency Regulation which is expected to be consulted on in 2016.

TRR continues to work collaboratively with GOV and the OGCI; particularly in the implementation of two GOV policies: the National ICT Policy, and the UAP policy, and in the development of the Cyber Security Policy.

3.4 National ICT Day 15-16 May

This year the World Telecommunication and Information Society Day / National ICT Day event was celebrated in two locations: Port Vila and in Luganville, Santo. It was the first time ICT Day was celebrated on Santo. With OGCI's support and as a favourable response to TRR's proposal to also hold the event in Santo at the same time, the celebrations occurred simultaneously on Port Vila with TRR leading the Santo event while OGCI took the lead on Port Vila events. Officers from both Offices assisted in each celebration.



Banner prepared by one of the schools in Luganville parade during ICT Day

Theme on Celebrating Diversity and Innovation, the day organised by OGCI on behalf of the Government and with TRR's assistance attracted over 6,000 people in Port Vila and over 2000 in Luganville. The objective and focus was to raise and enhance awareness on the use of the internet and other ICTs, and their impact on society and the economy. The Luganville program focussed strongly on bridging the digital urban and rural divide, with a particular target on citizens in the northern region of Vanuatu. The awareness program was seen as successful and has resulted in the forming of an ongoing ICT working committee now established in Luganville to assist with the development of ICT roll out and for next year's National ICT Day celebrations.

TRR's participation in Port Vila focussed on our role of raising consumer awareness and educating consumers on their rights and responsibilities as telecom consumers. Awareness programs stressed on the safe and responsible use of ICTs and the internet; targeting young men and women as well as school children.

3.5 TRR Staff Petition to the Prime Minister

Due to a staffing petition by (now ex) TRR staff to the Prime Minister and related issues during the period July to the 3rd week of September, TRR suffered a significant loss of staff; 10 through self-termination and two terminations.

With the full support of the Government, the major Licensees and other stakeholders, TRR moved quickly to replenish and engage well qualified, more adaptable and improved technical, office and management personnel with commitment, agility and wide-ranging skills in order to promptly resume work deliverables with the assistance of our technical experts and consultants.

The Prime Minister commissioned an independent panel to investigate the TRR staff petition and its findings were that the Regulator and the Manager Corporate and Consumer Affairs were completely exonerated against all petition claims and the self-terminating staff found to be insubordinate, had acted illegally and with the petition hastily written with unfair and inappropriate claims, and without thought of the consequences of their actions to the running of TRR, the business community and the people of Vanuatu.

Given the challenge TRR had to face during this period, TRR has tightened its recruitment processes and Human Resource Policy to make sure such an event is not repeated in future. TRR is now moving to take further action against the self-terminating staff in respect of their illegal and unprofessional actions.

With a highly satisfactory mix of new and old TRR staff now in place, TRR is well equipped and much better-placed to achieve TRR/GOV and World Bank Grant desired objectives. However, it did impact and caused a delay in some expected outcome deliverables/timeframes for 2015.

Universal Access and Serving the Unserved and Underserved Communities

4

4.1 General

TRR delivered its fourth update report to GOV through the Minister responsible for Telecommunications, also the Prime Minister at that time (in a care-taker role), Hon. Sato Meltek Litunvanu, in December 2015 highlighting the significant progress that has been made during the year in respect of the UAP implementation; in particular, the installation and launching of CLICC and TFS sites under the UAP community grant programs. That report followed TRR's third report to GOV in June. Although the reports provided to GOV are in confidence to GOV only, TRR develops public UAP Update Reports that are available from TRR's website.

The reports outline the significant milestones that have enabled TRR, and GOV, to make some very important additional and progressive steps towards meeting the UAP objectives. Key outcomes included:

- Completion and signing of all Player UAP Undertaking Agreements and a minor modification of one;
- Completion of all UAP Programs contracts and procurement;
- Rapid progression on the UAP CLICC rollout with sites at Sarakata Centre School and Eles Centre School operational;
- Official launching of the CLICC Program on the 27th of November by the Minister for Education;
- Rollout of the UAP TFS to Lycee LAB, Epi High School and Ambaebulu School; and
- Launching of the iTuani Infomesen & Communikesen Senta in Avunamala Village, West Malo Island.

TRR is now confident that the rollout will not only meet but should now exceed the overall target of 98% well within the 1 January 2018 timeframe. TRR will look to commence an audit of the current mobile coverage in early 2016 to establish and validate the current base coverage from which we will be able to determine the actual new coverage provided by the Undertaking rollout. Other achievements in UAP development follow in more detail.

TRR is also currently working to develop its Quality of Service (QoS) legal instrument in conjunction with the UAP rollout. This instrument will ensure that the service provided to Vanuatu's consumers under the UAP rollout, as well as any telecommunications services provided, are of satisfactory utility to an acceptable standard.

4.2 Telecommunications Services Undertakings Signed

TRR acknowledges all Players (TVL, Digicel and Telsat) commitment and dedication through their Undertaking Agreements towards extending their services to the people of Vanuatu. It is an indication of the Player's support and commitment towards the Government's UAP and its implementation. It also shows that the rollout of the UAP is gaining momentum, and complements the UAP's ICT school programs that are also being implemented in parallel to the Player's Undertakings.

TRR has taken a proactive and guiding approach, particularly in the signing of the UAP Players Undertakings outlining commitments to the implementation through the upgrading and rollout of new services, the provision and deployment of equipment and materials for the UAP ICT school and internet community centre programs. Through this Undertaking with all parties, we have locked in the rollout of new sites and the upgrading of all existing infrastructure, and the new rollout sites, to at least 3G+ technologies throughout the country.

TRR also recognizes the participation of the International Telecommunication Union (ITU) through its Satellite Connectivity project which will expand UAP implementation and provide for advanced warning systems being put in to place in three additional areas. Discussions continued with the OGCI as key facilitator of this project on behalf of ITU. The incorporation of the VSAT satellite project is a welcomed addition to the UAP roll-out.

Players submitted their rollout plans for UAP sites to TRR as part of their Undertaking Agreement, for review and approval. As at December 2015, a total of 25 new sites are planned for rollout by the three main Players (Digicel, TVL and Telsat).

TRR regards this as a very positive outcome of the Government's UAP in not only encouraging rollout of new sites but also improving and upgrading services at areas where there is existing coverage.

With the terms of rollout defined in the Undertaking agreement TRR will move, at the appropriate time, into a monitoring and evaluation mode, ensuring that the Player objectives are met fully in accordance with the Agreements to achieve the overall objectives of the UAP.

4.3 UAP School & Community Programs successfully rolled out

4.3.1 General

During 2015 TRR collaborated closely with suppliers of goods and services and for procurement of infrastructure required to deliver the Computer Lab & Internet Community Centre (CLICC), Tablets for Students (TFS) and Internet Community Centres (ICS) Programs to various communities and schools. CLICC facilities were installed at Eles Centre School and Sarakata Centre School on Santo. The roll out of other CLICC facilities is in the pipeline for commencement in early 2016. The first ICS, iTuani Informesen & Communikesen Senta in Avunamalai Village Malo Island was also opened on the 30th November 2015. Communities surrounding Avunamalai are expecting to already enjoying the benefit of the centre.

4.3.2 Computer Laboratories and Internet Community Centres (CLICC)

The CLICC centres are a significant part of the UAP program with 15 schools, being provided with computer labs, for general educational purposes, and for use by the community after school hours. The objective of the CLICC sites is to primarily increase the knowledge and use of ICT within the school environment, integrate ICT into the curriculum and utilise educational materials for learning. The infrastructure will also facilitate the use of the Open VEMIS¹ database application system for school and student management. In addition, the CLICC site is open to the general community for their use to enhance knowledge of ICT, increase the development of local content and provide a central hub for the delivery of eGovernment services into the future.

The first CLICC site to be implemented was Eles Centre School, Nguna Island, and Efate. The school went live in late October, with a formal opening held on the 24th of November 2015 attended by representatives from the Ministry of Education and Training, OGCI0, the Australian High Commission and TRR. Since the opening and access to the CLICC program by students and the public, the feedback has been exceptionally positive, with a desire of the students to embrace and use the technology. Current programs being worked on include learning to touch type via an application on the installed gateway server.



Eles Centre School Lab (left picture), Nguna Island CLICC Opening, (L-R) Alice Kalontano, Fred Samuel (OGCIO), Elmo Joseph (Shefa PEO) and Gerard Metsan (TRR UAP Manager)



¹ Vanuatu Education Management Information System (VEMIS) Open VEMIS is an initiative of the Vanuatu Ministry of Education and Training providing planning and management tools for the ministry, schools, regional offices and communities

A second CLICC site opened in Sarakata Centre School, Luganville, and Espiritu Santo on the 27th of November 2015. The launch was presided over by the Honourable Daniel Toara, the Minister responsible for Education and Training and was also attended by representatives from the Ministry of Education and Training, OGCI0, the Australian High Commission and TRR.



Opening of Sarakata Centre School CLICC Facility. Cutting the ribbon are Minister of Education Hon. Daniel Toara, with Governance for Growth Project Officer Jennifer Kalpokas. Looking on were DG Education Jessie Dick (second from left), Gerard Metsan, TRR UAP Manager (second from right), Fred Samuel Chief Information Officer and Sarakata Community Leaders.

4.3.3 Tablets for Students (TFS)

The TFS program is intended to equip students with a tablet to enhance their research skills, interactive communication and access to online curriculum and resources. Initial TFS infrastructure has been implemented in Lycee LAB, Epi High School and Ambaebulu School. Further roll outs will occur in 2016.

4.3.4 Internet Café Services (ICS)

TRR awarded three (3) grants to commercial operators to establish an ICS in the local community. These were to be operated by: Ituani Informesen & Communikesen Senta, Malo; Nali Enterprises, Ambrym; and Tukundamauri, Nguna Island. The first ICS to go operational on the 30th November 2015 was Ituani Informesen & Communikesen Senta in Arunamalai Village on Malo Island. The other ICS's will become operational in 2016. These one-off grants enabled the ICS centres as commercial enterprises, to install, run and maintain a communication centre beyond the period of these once off grant monies and to be self-funding.

This has been achieved through a successful and close collaboration with the Ministry of Education, OGCI0, Operators and ICT suppliers and providers who have diligently worked with the TRR UAP team to ensure successful installation and launching of these programs.



Inside iTuani ICS, Malo Island

4.4 Measuring Success through Monitoring and Evaluation (M&E)

TRR recently entered into a Memorandum of Understanding (MOU) with the University of the South Pacific (USP) for the provision of required technical assistance in the development of a Monitoring and Evaluation (M&E) system during and after UAP rollouts. This will require and facilitate close collaboration between TRR's UAP team and the USP's Teachers Education Resource and e-Learning Centre (TEREC).

TRR anticipates the completion of the M&E methodology by the beginning of the school year 2016 in order to establish the benchmark upon which success, or otherwise, will be measured. This vital tool will enhance implementation over a, at this time, 2 year period during the life of the program on a six (6) monthly basis. Early identification of any issues/problems will highlight challenges and successes for stimulating rollout of further CLICC or ICS centres, and for the ongoing effectiveness of the M&E program.



Committee members meeting to finalise and sign off the undertaking agreement (read more on 4.2 of this report)

Telecommunications Market and Competition

5

5.1 Telecommunications Market Developments

The market for telecommunications/ICT services continued to develop positively in Vanuatu in 2015 as demand from the population grew for greater connectivity and access to the internet. The roll-out of the 3G networks and the greater affordability of smartphones alongside increasingly competitive and innovative offers from operators has enabled Vanuatu to be a part of the worldwide trend of converging products and services as people look to connect, communicate and access a wide range of services through the internet.

The awareness and actions of telecoms providers of these evolving demands for Over-The-Top (OTT) or Value Added Services is behind many key developments in Vanuatu's ICT sector as they adjust to changing demands by looking for new sources of revenue and offerings outside of traditional SMS, voice calls and internet packages.

Both Digicel and TVL during the year offered increasing numbers of bundled services or add-ons for both pre-paid and post-paid mobile services allowing customers greater choice and flexibility in their service. Some of these more competitive offerings included:

- All-inclusive post-pay contracts with SMS, calls and data;
- Wider availability of temporary add-on bundles of calls, SMS or data to pre-paid users;
- Increased availability of 'free-Facebook' or other "taster" offers of data allowance; for example, including free data allowance for 3 months with a smartphone purchase. This gave customers bundled or unlimited basic use of some internet applications or services providing enhanced internet functionality and for users to continue to purchase further data allowance.

5.1.1 Increased Convergence and Collaboration

The convergence of services and service providers created by increased use of the internet is evident in Vanuatu through the divergence in the services provided by both mobile operators and internet service providers (ISPs) from traditional markets. Some operators have included greater content offerings alongside hardware including things such as cloud-based services and managed services for businesses. This is likely to increase dramatically in future as ICT services provide solutions to other industries and sectors in Vanuatu enabled by the roll-out of the Government's UAP Policy, access to the submarine cable and greater broadband connectivity throughout the country.

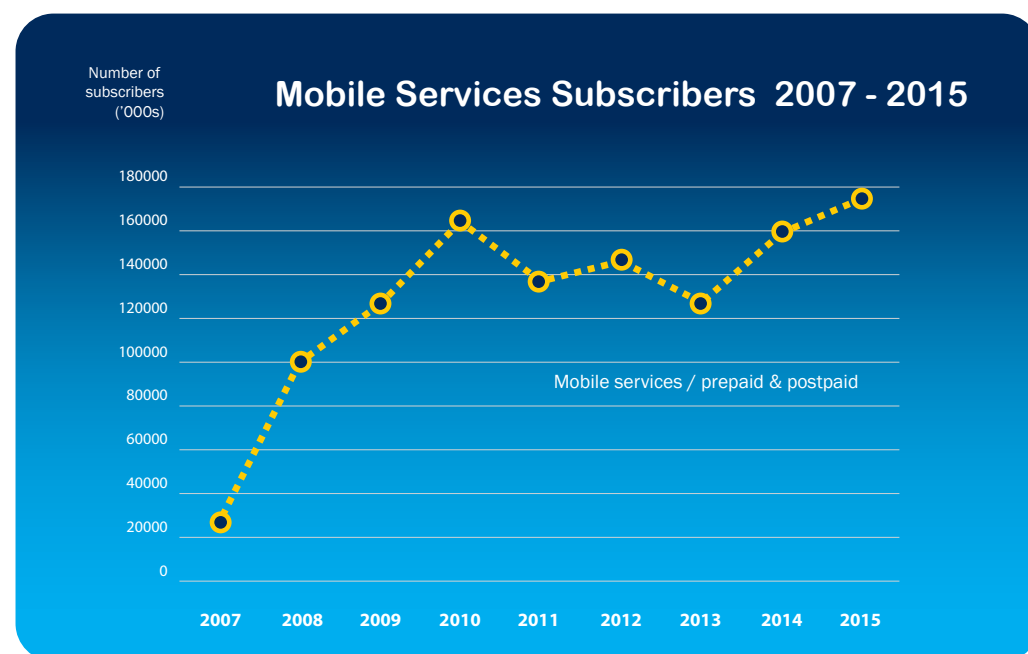
5.1.2 TRR Market Determination Consultation

In October, TRR released a public consultation document on 'Market Determination in Vanuatu for Regulatory Purposes'. The consultation d invited comments from licensees, service providers and any interested parties on TRR's proposals to review and determine the relevant definitions and boundaries of telecommunications markets for regulation in Vanuatu. In re-assessing the boundaries of telecoms markets in Vanuatu - as defined at the liberalization of the telecommunications market in 2008 - TRR has chosen to consult with stakeholders to ensure that the regulatory approach it will follow continues to be relevant to the providers, services and products operating in Vanuatu, as well as customers, given the dramatic changes experienced in the telecoms sector. TRR has received thorough and detailed responses to its consultation document and is compiling these into a summary report to guide the direction it wishes to take in the future.

5.2 Market Statistics, Monitoring & Developments

5.2.1 Mobile Subscriptions

Despite the considerable deleterious effects of TC PAM on the industry, Vanuatu has sustained significant growth in subscribers of mobile services this year from 2014, to achieve record numbers in 2015. There has been a year-on-year increase by 16% in average monthly mobile subscribers. TRR is pleased to note that the number of monthly subscribers to mobile services throughout 2015 continued to remain higher than the peak total, 159,148, achieved in December 2014, including the months directly after TC PAM. This indicates the significant growth achieved in Q4 of 2014 was retained and built on, and that it was not only a temporary uptake in mobile use due to promotions or other factors such as the traditional peak in sales in the run-up to Christmas. The number of monthly subscribers is defined as the total number of pre-paid and post-paid subscribers to have initiated a chargeable event within the last 90 days. Due to the considerable and wide-ranging damage to the networks and infrastructure this indicates that the majority of users were accessing the network within three months of TC PAM. Due to the lag-effect of this indicator - as it includes mobile use users from the 3 previous months - there was a clear drop in subscribers in June as some users were unable to regain access to the network post cyclone. Although the cyclone evidently slowed growth in mobile uptake, growth was sustained to achieve a peak of 190,424 in December 2015; over 30,000 users more than the same month in 2014. This was testament to urgent recovery works done by both mobile operators to repair their networks and reconnect users so quickly after the cyclone.



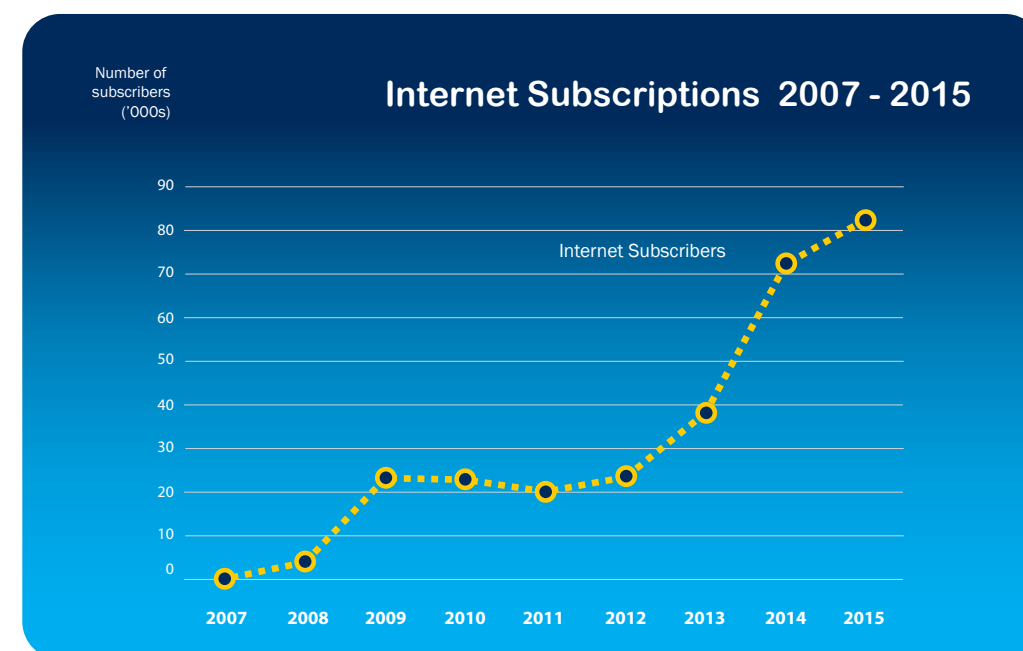
Trend in mobile subscriptions from 2007 – 2015. TRR

The cost of post-paid plans however, remained relatively high with various fixed monthly plans available to customers and unfavourable long-term contracts. Hence, very few individual customers subscribe to post-paid services – a service primarily, it seems, for corporate entities. A significant number of customers, particularly in rural areas, still find pre-paid plans far easier and cheaper for their flexibility and affordability. This made competition for pre-paid plans particularly intense as mobile providers continued to offer new bundles, bonuses and perks to attract new customers. A good illustration of this is the average price of one SMS. Both TVL and Digicel charge 10vt per SMS but the average price paid for a pre-paid SMS in Vanuatu is closer to 1vt per SMS.

Technically savvy users take advantage of temporary bundles or add-ons for bulk or unlimited amounts of texts. TRR, through its Consumer Champions Program, has been raising awareness and educating consumers to fully understand their mobile plans so they can get the best value for money and the full benefits from their mobile phones.

5.2.2 Internet Subscriptions

The number of internet subscribers in Vanuatu continued to grow in 2015 following the installation of the ICN1 submarine cable in 2014 and service providers' efforts to make available this service to users. The heavy competition between internet service providers (ISPs) was stimulated by operators introducing new, cheaper offers particularly with new and improved unlimited download plans as well as increasing internet speeds. Customers in Vanuatu can connect to the internet through a broad and increasing range of technologies and transmission methods as ISPs adopt and adapt technologies to suit the unique requirements of our market.

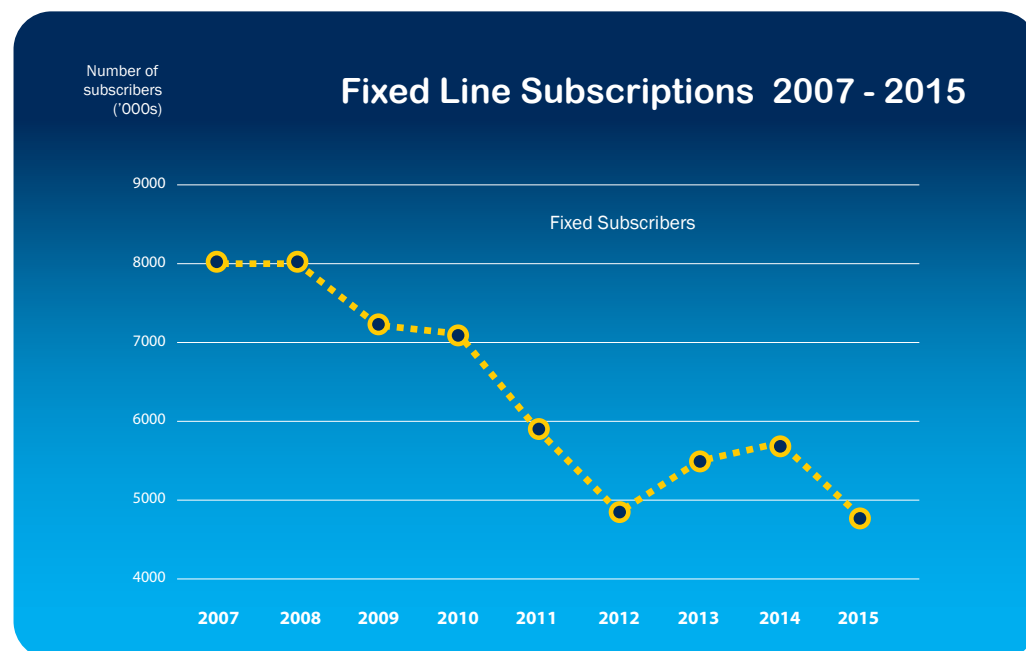


Trend in internet subscriptions from 2007 – 2015. TRR

There has been significant growth in the number of users accessing the internet via mobile data, with both mobile operators now offering a range of 3G enabled smartphones for under 5000vt and the number of people, particularly young people, who now have the tools to access the internet; hence this service has grown considerably in recent years. Since the submarine cable landed in 2014 mobile operators have had access to greater amounts of internet bandwidth at lower cost than the previous satellite connections, and this has led to much more competitive and affordable data bundles being available to consumers. The price per MB of data allowance dropped considerably in 2015 with weekly bundles being available at an average rate of 15vt/MB in November 2014 to as little as 1vt/MB in 2015 or 2vt/MB with Facebook included free as part of the bundle.

5.2.3 Fixed Phone-line Subscriptions

The number of fixed phone line customers continues to decline steadily as many domestic or small business users switch to mobile services. With the high upfront fixed cost and monthly line rental charges of a fixed line service, it can be more cost effective and practical for these lower traffic customers to choose mobile plans which generally have the same, or cheaper, advertised per minute call rates. It can also be easier for operators themselves and some larger businesses now use fixed PABX (private automatic branch exchange) systems in their offices that use mobile SIMs in each desktop handset to avoid the difficulties in installing a whole new wired system.

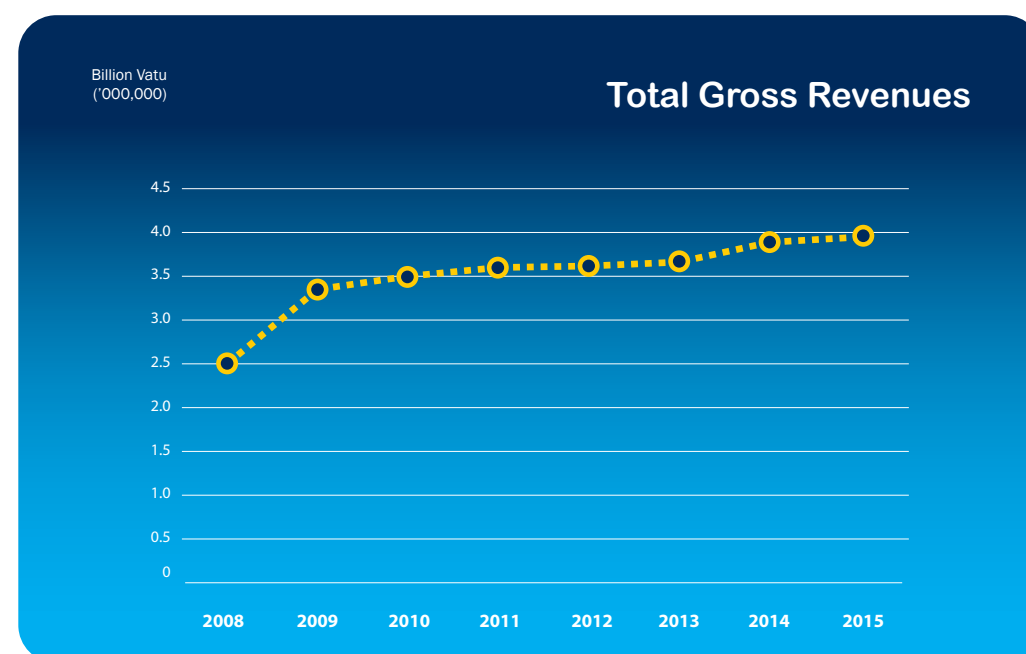


Trend in fixed-line subscriptions from 2007 – 2015. TRR

5.2.4 Gross Revenues

The simplest indicator of the general health of the telecommunications industry is by analysing the gross revenues of all the service providers in Vanuatu. The trend in revenues, over time, allows insight to see if the telecommunications is growing, decreasing or staying constant. Many sectors in Vanuatu suffered significant drops in revenue due to the on-going effects of TC PAM and there were added pressures on household incomes as people bore the costs of repairing the damages to their property and livelihoods. From information gathered, the telecommunication industry managed, however, to withstand these added pressures on consumers spending to achieve record revenues in 2015.

It is clear from the graph below the substantial growth stimulated by the introduction of competition in telecommunications revenues from 2008 when the Government of Vanuatu liberalised the market for telecommunications. After several years of slow but steady growth from 2010 to 2013, as the market settled and new users continued to access a mobile network, there has been a clear growth in revenues in 2014 and 2015. TRR particularly attributes this increase in growth to the landing of the submarine cable in Vanuatu in 2014, and the resultant growth in internet usage; so bringing in new products and services and new revenue streams for telecommunications providers.



Trend in Gross Revenues from 2007 – 2015. TRR

5.3 Registry of Operators

5.3.1 General

In March 2015, TRR granted Global Pacific Telecom (GPT) a telecommunications licence to operate in Vanuatu. GPT is currently providing internet and cloud-based services to both household and corporate customers around Port Vila and Luganville; including monitoring systems and teaching materials for schools.

The table below indicates the current licenced operators and the type of service they provide:

Licensees	National Fixed	International Gateway	Mobile	Internet Broadband	Leased lines	Mobile internet data services (GPRS, 2.5G, 3G, 3G+etc.)
Telecom Vanuatu Limited	✓	✓	✓	✓	✓	✓
Digicel Vanuatu Limited	✓	✓	✓	✓		✓
Telsat Broadband Limited		✓		✓		
Wantok Limited				✓		
SPIM				✓		
Incite Limited				✓		
Global Pacific Telecom				✓		
Interchange Limited		✓				

5.3.2 Exceptions Framework

In January, after consulting with licensees, service providers and interested parties, TRR issued a range of new telecommunications Licence Exceptions. Through consultation, a best-practice approach was determined to the Exceptions to be granted for wholesale telecommunications service providers and other entities deemed by TRR to be exempt from the full requirements or obligation to hold a telecommunications licence.

The 'Act' provides that telecommunications services provided to the public, whether directly or indirectly, requires a licence in order to do so. The Exceptions framework allows providers of certain telecommunications services to operate exempt of certain conditions or requirements of a telecommunications licence where it is deemed inefficient or unnecessary by TRR to provide them with a licence. As indicated in the following table, this includes the Government data network and wholesalers who do not supply telecommunications directly to the public; as well as local Wi-Fi hotspots or community projects. Because of the market size and modus-operandi of small operators, TRR has taken the view that it would be inefficient and/or unreasonable to monitor or regulate them as a full telecommunications licence holder.

No.	Exceptions	Issued Date
1	Small Users: Hotels, Cafes, Restaurants and Bars	23/05/15
2	Interchange Ltd	11/02/15
3	Speedcast Pacific PTY Ltd	11/02/15
4	Fidelity Communications Corporation (FCC)	11/02/15
5	Government Data Network (GDN) special exemption	15/05/14
6	Government Data Network (GDN)	15/01/13
7	Rensarie College	11/01/13

Litigation, Regulatory Orders and Decisions

6

TRR's Legal team has a focus on developing and facilitating regulatory instruments, orders and decisions, determinations and dealing with any litigation matter; this includes dispute resolutions, complaints and compliance handling and negotiations.

6.1 Orders on 'Supply of Market Data'

On the 11th of February 2015 TRR released Order 1 of 2015 on 'Supply of Market Data'. This Order was made to ensure the timely and consistent provision to TRR of market data and statistics from all licenced operators: fixed service, mobile and internet providers. This data enables TRR to have and maintain accurate data and comparable statistics from all operators, to enable TRR to effectively analyse and report on the current state of telecommunications in Vanuatu.

6.2 TRR Decisions of 2015

Following a request from the aviation industry for an internal review of Decision 2 of 2014 as it affects that sector (only), TRR revisited the radio apparatus license fee schedule as applicable to the aviation industry and this has resulted in a recalculation, by TRR, of the spectrum usage formula and, subsequently, the applied level of aviation radio apparatus license fees. On 24 December 2015, Decision 01 of 2015 was released as an amendment to Decision 02 of 2014, relative to the revision of Radio Apparatus Licence fees for Aeronautical ground stations and Aeronautical commercial aircraft.

6.3 Settlement of costs in respect to Civil Case No 152 pf 2011 – Court of Appeal No. 17 2014/Costs order

Although the ongoing anticompetitive claim against Digicel (as reported in previous TRR Annual Reports) is ongoing and TRR is still analysing a range of documentation submitted by all involved parties, TRR reached agreement with Digicel in respect of compensation to it regarding Case 152. TRR's liability to Digicel with reference to the Vanuatu High Appeal Court decision in respect of Case 152 is now (finally) settled.

6.4 Anti-Competitive Claims

TRR formally received anti-competitive claims relating to:

- SpeedCast Pacific Limited claim that Interchange Limited has breached its contract conditions by supplying capacity directly to TVL;
- Digicel Vanuatu Limited claim that Interchange Limited has unfairly offered its cable pricing amongst other operators; and
- Digicel and Telsat claim that Interchange Limited pricing is beyond reasonable rates.

TRR is currently investigating these anti-competitive claims formally brought forward to its attention. TRR anticipates drawing its conclusions on these claims in the first half of 2016.

TVL's ongoing anticompetitive claim against Digicel (as reported in previous TRR Annual Reports and arising from Case 152) is ongoing and TRR is still analyzing a range of documentation submitted by all involved parties,

6.5 Legal and Regulatory instruments

Vanuatu Domain Name Management and Administration draft Regulation

The Vanuatu Domain Name Management and Administration draft Regulation is currently undergoing public consultation. It is anticipated that the Regulation will be finalized and gazetted in quarter 1 of 2016.

Telecommunications & Radiocommunications (Consumer Protection) Regulation No. 157 of 2015

The Consumer Protection Regulation was gazetted on the 21st October 2015 as a legal mechanism enacted to enforce the safeguard and protection of the rights of consumers against instances of unfair telecommunication services and products sold or provided to them by ICT service providers. The Regulation's coming in to force was preceded following lengthy consumer awareness and outreach programming across Vanuatu over the two-year period between 2013 and 2015.

Wide consumer input, including the establishment of TRR's Consumer Champions Program, shows TRR's commitment to ensuring the Regulation is, and will remain, relevant for all ICT consumers. TRR will work closely with all stakeholders in ensuring telecommunications services provision meets the requirements of this Regulation.

Telecommunications and Radiocommunications: Technical and Engineering

7

7.1 National Numbering Plan and Procedures

The purpose of TRR's National Numbering Plan and Procedures (NNPP) is to put rules in place and inform stakeholders about the management, administration, and governance of TRR's National Numbering Plan of the Republic of Vanuatu by, as outlined in the Telecommunications and Radiocommunications Act, 2009.

The NNPP provides the framework for the allocation and assignment of numbering resources in Vanuatu, and serves as a general guideline on the management, administration and governance of the national numbering resources to telecom Licensees and the public. In 2015, work resumed on the review and for the provision of an associated Numbering Allocation Framework which includes revision of NNPP and a NNPP Monitoring Framework with reference to the Operator license obligations and the Act.

7.1.1 National Numbering Plan Management

A new cellular Mobile Service number range 50-xxx xx, 51-xxxx, 52-xxxx, 58-xxxx was allocated to Digicel in August 2015. Digicel has now confirmed its full migration of its 7-digit mobile numbers that were assigned to customers with Private Automated Branch Exchange systems, Digi-Fixed, Digi-Home and GSM-Desktop terminals, to 5-digit numbers in the 35 xxx range, as listed in the Interconnection Agreement of 12 June 2014. TRR will continue to closely monitor compliance with these changes.

7.1.2 Numbering issues

During the year TRR continued to liaise with operators to ensure appropriate assignment of short codes by actively monitoring them for any instances of non-compliance according to the Short Code Assignment Rule Short Cord Assignment Rule (SCAR). Work has commenced for the review of the NNPP and this will continue and be finalized in 2016.

7.2 Regulating the Import, Sale and Use of Telecom Equipment

Section 7(4) (f) of the Act stipulates that TRR may make Regulations "imposing restrictions or limitations upon the importation, sale or use of any equipment used or likely to be used in connection with radiocommunications or telecommunications".

A draft Regulation on Restrictions on Import, Sale and Use was developed in 2011 but the project was suspended. A TRR internal concept paper on Guidelines on Restrictions on Import, Sale and Use (guidelines) was developed in May 2015. These Guidelines now include ICT equipment in addition to telecommunications and radiocommunications equipment. In October 2015, TRR revisited the suspended project and commenced the development of a Draft Type Approval legal instrument for approving radio communications equipment. It is anticipated that the Draft Type Approval legal instrument will undergo public consultation in early 2016.

7.3 Mobile Signal and Internet Coverage and Quality of Service (QoS) Regulation and QOS Audit

Planned detailed mobile signal audits and QoS testing for 2015 did not eventuate due to a number of reasons. Post-cyclone recovery efforts continued throughout the year involving repairs and restoration to tower infrastructure. In addition, the time taken to reengage appropriate technical staff coupled with engaging a suitable telecommunications expert meant TRR could not fully deliver on its mobile coverage audit for 2015 – but some auditing was conducted. In December, TRR restructured its mobile coverage audit work plan for 2016.

TRR, in October, terminated its contracted expert undertaking both of these projects and will now engage the services of a new expert(s) to resume the review of the current QoS Guideline with a view to finalizing the instrument in 2016. Once that is in place, TRR will roll out its first QOS measurements/tests later that year.

TRR's Geographical Information System (GIS) database continued to be a vital support information tool in the roll out and implementation of the UAP, as well as reflecting new trends in spatial data, demographic and economic services overlaid for analysis - which is a separate task to be conducted in the first and second quarter of 2016. This task will also involve analysis of predictive coverage from coverage prediction tool and drive test results, with the aim to verify the past data for underserved and unserved areas and to enable accurate calculation and measurement of the required 98% broadband population coverage by 1 January 2018.

7.4 Radio Spectrum Management

7.4.1 General

Radio Spectrum is a natural resource and is vital input into provision of and widening the range of services in Vanuatu. It is an essential element for communications and is key function for TRR to manage effectively as stipulated in the Act. (T Act mandates TRR as the responsible authority pursuant to section 1 (b) and section 7 (2) (e) of the Act to “allocate, assign and manage the radio spectrum”.

7.4.2 Spectrum Fees

In recognition of the importance of radio spectrum management and the monitoring of the assigned spectrum in Vanuatu, TRR will release a Public Consultation document (estimated for Q1 2016) inviting public comment and input on the methodology, for the setting of spectrum license fees, and a proposed a fee formula and schedule of fees to apply fees to spectrum. This public consultation document will propose the introduction of spectrum fees on specific spectrum ranges as follows:

- Bands used for mobile telecommunications (900 MHz, 1800 MHz)
- Other wireless broadband spectrum (2.3 GHz, 2.5 GHz, 3.5 GHz)
- Broadcasting spectrum used for pay TV (510-550 MHz, 560-608MHz, 610-660 MHz)
- 700 MHz band following allocation.

The resultant, from public consultation, Spectrum Fee Regulation will be finalized in 2016 and is planned to be implemented in 2017.

7.4.3 Consultation on 700MHZ

In November 2015, TRR issued a call for Expressions of Interest (EOI) to operators and/or relevant parties for access to spectrum blocks in the 700Mhz frequency Band (as below), with an instruction to clearly state the amount of blocks required and the type of services to be provided, together with the need for provision of a preliminary rollout plan. Following that call for EOI, TRR received a number of registered interests from the operators and licensees, and TRR is now considering if a widened discussion with those operators who have submitted an EOI is relevant.

Frequency band				Available spectrum blocks	
MHz	Paired Sub-bands MHz		Available spectrum	Number of blocks	Block Width
700	703Mhz-748MHz	758MHz-803MHz	45MHz x 2	9	5 MHz x 2

7.4.4 National Frequency Allocation Table

The National Frequency Allocation Table (NFAT) update work was finalized on the 1st of December 2014 and was updated to reflect the WRC-12 resolutions. The NFAT was again reviewed and updated this year, 2015, to include new frequencies and will be available and can viewed via the TRR website by quarter one of 2016.

7.4.5 Spectrum Monitoring and Interference Resolution

TRR has commenced its Vanuatu-wide its spectrum audit; starting in Efate and Santo. Work has progressed also on the drafting of the development of spectrum fees schedule which is now ready for public consultation in Q1 of 2016.

This year TRR responded to many complaints on instances of interference; mainly from operators.

A Spectrum audit got underway on Efate and Santo in collaboration with TVL, Digicel, Telsat and Wantok during the months of October and November 2015.

TRR's Spectrum Auditor worked onsite with the TRR team to conduct a spectrum audit of 40 tower sites to validate spectrum signal and usage against data provided by the licensees. This task was conducted mainly on Efate and Santo and has enhanced closer working and cooperation with the major operators on resolution of interference issues. The audit findings and data collected from the operators is being fed into TRR's TIMID Database to assist determination of any instance of deviation between operators published spectrum coverage and the actual spectrum signal.

7.5 Radio Spectrum and Radio Apparatus Licensing

7.5.1 General

A number of enquiries and applications for additional spectrum were received from licensed operators in 2015. In total, however, only two spectrum licences were issued.

One licence was issued for additional GSM frequency, and another licence was issued for backhaul point to point links. Others requests involved the 900MHz and 700 MHz, and all are currently under consideration.

7.5.2 Radio Apparatus Licences

It is mandatory in Vanuatu for all radio apparatus Operators to, at all times, hold a valid apparatus license to operate their radio apparatus equipment. To obtain an apparatus Licence for each year, an administrative fee must be paid to TRR to develop and provide the appropriate licence.

A total of twenty two new radio apparatus licences were issued in 2015. Licenses issued were for the categories in; Marine (16), and amateur (5) and Land Mobile Repeater Station (1).



Radio apparatus License temporary Operator with key Officer, Ms. Joylyn Boe

7.5.3 Revised Radio Apparatus Licence Fees Schedule

TRR undertook an internal review of the active current Radio apparatus licences fees schedule and it is also in the process of reorganizing its procedures in respect of the issuance of radio apparatus licences through an agreed process with the Civil Vanuatu Aviation Authority (CAAV). TRR will work collaborative with the CAAV with TRR issuing a radio licence to aircrafts and vessels to which CAAV will now issue a respective call sign. An MOU will be established and is under development between TRR and CAAV for this purpose.

TRR released its revised radio apparatus licence fees schedule through Decision 1 of 2015 made in late December 2015; specifically with regards to aeronautical fees only, and amendment of Decision 2 of 2014. Decision 2 of 2014 remains valid for all other fees, with the aeronautical fee review request addressed in Decision 1 of 2015. The revised aeronautical fees schedule becomes effective on the 1st of January 2016 and onwards. The revised aeronautical fees are the outcome of the aviation industry request and TRR consultation during 2015, in which TRR sought comments and views from radio apparatus license holders specifically the aviation operator licence holders, about the level of the proposed new prescribed fees.

TRR has publicised this new fees schedule on its website and communicated its Decision by way of a Public Notice in the newspapers and emails to licensees. Current licence holders were issued 2016 Radio Apparatus License fee invoices, in December 2015, with the new fee schedule for 2016 and onwards. TRR will review all radio apparatus fees again in 2017 as per Decision 2 of 2014.

7.6 Compliance and Enforcement

7.6.1 General

TRR, as part of its compliance and monitoring of telecommunications/ICT products and spectrum management in Vanuatu, requested site information from operators; particularly Telecom Vanuatu Limited, Digicel, Wantok, and Telsat including the list of frequencies for each tower site in Vanuatu. This information is necessary for TRR to setup a national registry for telecommunications/ICT equipment; including details of location and associated usage and operations.

This information will assist TRR to effectively manage radio spectrum usage and facilitate an interference free environment for radio communications in Vanuatu, and to generate market reports based on the information from operators. The ITU, which is the global body regulating spectrum usage, also requires from each member country to regularly report on the list of sites. Information collected from operators was entered in to the TIMID Database.

As a general principle, TRR is now stepping up its overall compliance monitoring.

7.6.2 Maritime Radio Apparatus Compliance

The 2014 MoU with the Department of Ports and Harbour (P&H) was revisited in 2015 and TRR is looking at stepping up its monitoring and inspection efforts of marine vessels, ship and yacht owners, and agents to identify use of the radio equipment apparatus against their licenses. This will further support safety requirements with P&H, and ensure validity of their radio apparatus licence

8.1 .vu Country Code Top Level Domain (.vu ccTLD)

TRR increased its focus in 2015 on promoting, supporting and facilitating the:

- Creation of a conducive environment for Vanuatu's social and economic development using the internet;
- Lawful and respectful use to the internet as an important public resource; and the
- Provision for a practical, competitive framework for the provision of internet services in Vanuatu that will boost internet access coverage further.

8.1.1 General

The .vu ccTLD is a crucial resource that is being managed in Vanuatu by TRR on behalf of GOV and the internet community. TRR has, for the past few years, been working with the stakeholders in Vanuatu in putting in place appropriate Regulations/Legal Instruments for the appropriate management and administration of this resource. Currently, management is with TVL but TVL has agreed to collaborate in working together with TRR and industry to finalize the Regulations/Instruments to manage this precious resource.

TRR developed and released a draft Regulation for the management and administration of .vu ccTLD and issued, for public comment, a draft Rule No. 1 on 9 December 2015.

In the interim, and prior to implementation of the .vu ccTLD Regulation, TRR has continued to support and encourage TVL to adhere to best practices of ccTLD Managers in its (TVL's) ccTLD Authority role via a formal agreement with ICANN.

In terms of the important Domain Name System (DNS) infrastructure of the Internet managed by TVL, TRR has observed that no significant DNS service downtime in Vanuatu was experienced or reported by TVL in the last 12 months. This is attributed to the fact that TVL has improved its DNS backup and redundancy system. TRR has been in regular discussions with TVL regarding the implementation of DNS Security or DNSSEC towards its successful implementation.

To assist with its public education campaigns on .vu, TRR in 2015 developed, printed and distributed simple brochures on understanding domain names; especially .vu domain names and how to acquire and use one.



Attendees of the Regulatory Internet Symposium 2015

8.1.2 Regulatory Internet Symposium

TRR hosted its first Regulatory Internet Symposium in November 2015 and this was attended by over fifty stakeholder representatives; including telecommunication service providers, major operators, the Vanuatu Government representatives, other private sector representatives and the civil society. TRR's Consumer Champions also attended and their outreach program was featured during the event as part of their capacity building. The symposium involved awareness creation on the importance of the .vu domain and the need to safeguard its use both nationally and internationally. Participants also were given the opportunity to share real-life experiences, issues and challenges with consumers of the ICT services in the rural areas of Vanuatu.

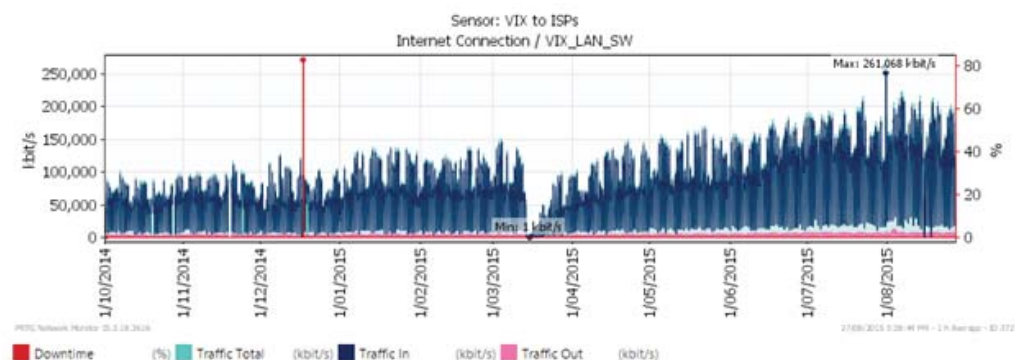
8.2 Implementation of the Government's Cybersecurity Policy

8.2.1 Strengthening Child Online Protection

With respect to cyber security initiatives and implementation of the Government's Cyber security Policy, the Ministry of Justice and Community Services, through the Child Desk Office, has the responsibility to implement the child protection legislation. During the Regulatory Internet Symposium this year, the Ministry reaffirmed its commitment to work closely with TRR in developing the policy, legislation and regulatory framework on cybercrime; which includes and bringing into effect and monitoring of the Child Online Protection Regulation. TRR has worked with OGCI in the drafting of Cybercrime. A working Group was also established to look into the enactment of this Cybercrime legislation. In addition, a Partnership Agreement on Cyber safety was signed by the Pacific Chiefs of Police, to which Vanuatu is signatory partner.

8.2.2 Vanuatu Internet Exchange Developments

The VIX continued to serve its purpose well with an increasing number of web pages being cached. This has been attributed to the arrival and installation of the submarine cable early in 2014. Figure 9 below, provides a view of web traffic for the period October 2014 to August 2015, being served by the Google cache server located at the VIX. This has resulted in cost savings for ISPs, and better and faster web surfing experience by users during the period. The decrease in the traffic in March 2015 indicated the down time of the internet in Vanuatu during TC PAM, following which there was remarkable recovery from April when web access and usage went from strength to strength towards the year's end.



Vanuatu's Internet Exchange Point at a glance, October 2014 to August 2015 (Graph courtesy of Vanuatu Internet Exchange)

Enhancing our focus on Users of Telecommunications/ICT in Vanuatu

9

9.1 General

During 2015, TC PAM disconnected the people of Vanuatu for extended periods and TRR recognized the need to more adequately safeguard consumers' rights, interests and strengthen its consumer protection measures to ensure consumers were provided appropriate information and services by operators.

Earlier in the year we delivered and collaborated with GOV and operators to deliver another successful ICT Day celebration; extending it for the first time in Luganville town, Santo. Our focus again was consumer awareness and outreach. This followed by the commissioning of 16 Consumer Champions, with 13 of whom travelled to Luganville from all over Vanuatu for the event.

Our 2015 consumer affairs project and efforts were comprehensive and we ensured our focus and efforts were to deliver on TRR's Consumer Awareness Protection Plan (CAPP). Our efforts in this respect, in the second half of the year, involved the following activities.

9.2 Enhancing Awareness through outreach in the rural communities

TRR capitalized on various media channels such as radio, internet and print media to coordinate and implement its monthly-radio program plan. The team actively communicated to consumers and citizens of Vanuatu via the regular publication of press releases in newspapers, short key messages, and live interviews on talk-back shows to reinforce public awareness on the Consumer Protection Regulation. TRR's approaches taken to increase consumer knowledge on Consumer Protection Regulation are:

- Regular press releases
- Promotion and awareness on the new Consumer Protection Regulation (CPR).
- Daily short key message recording and advertisements; which continued into December.
- Increased print publications on common Q&A issues in regards to the new CPR and the fact sheets.
- Increased print publications on common Q&A issues in regards to the new CPR and the fact sheets.
- Talk-back shows focused on live sharing through Q&A to receive general feedback and comments on consumer issues

9.3 Consumer Educational Fact Sheets

TRR has established a variety of Fact Sheets containing information about types of services provided by the Service providers and other additional useful information that are important for consumers to know about and understand. These include the health risks of using ICT, consumer rights and responsibility, and many more.

A key fact Sheet discusses mobile phone plans. This was developed based on TRR providing an answer to common queries from a range of users with an aim for the Fact Sheet to educate consumers and users of telecommunications services, and to provide broad understanding of mobile service plans; including the terms and condition of services of or products. The Fact Sheet is intended to stimulate interest and understanding of mobile services and bundled plans so that it will assist consumers with making their decision before purchasing a device or using the service.

The content of our fact sheet has also proven successful as an information tool providing information on:

- Prepaid service plan and their implications for users;
- Post-paid service plan (including internet);
- Practical and general understanding on commonly used terminology such as ‘free’ and ‘unlimited’;
- Running cost of using a mobile phone; and
- Where consumers need to go to resolve any issues regarding any telecommunications service or product.

9.4 Consumer Champions Training

TRR’s Community Consumer Champion’s program is a ‘home grown’ project initiated and developed by TRR, which involves representatives across Vanuatu to provide wide range awareness to many outlying communities. TRR organized two training sessions with the Champions this year during the months of May and November. The training raised issues and ICT challenges at grassroots and rural community levels.

“We are very fortunate to be part of this training, we learn a lot in this training, it really helps us and broadens our knowledge on telecommunication/ICT, and the message received is take-home note that will help a lot in times of awareness in the future”. Sam Vula Sanma province Champion

The Champions were provided with, and able to take away, tools to enhance awareness in their rural areas. Through the work of our Champions TRR will:

- Facilitate the implementation and understanding of the Vanuatu Government’s National ICT Policy;
- Facilitate the implementation, understanding and roll out of UAP;
- Build consumer trust in TRR by mitigating risk and threats related to the ICT development in rural areas;
- Raise awareness of consumer safeguards and protection - which is a key requirement of TRR’s role and a key element of the Vanuatu National ICT policy and the Cybersecurity policy;
- Ascertain ways which may stimulate sustainable and safe use of telecommunications/ICT devices; and
- Support the growth of telecommunications/ICT market and services to the rural areas towards bridging the digital divide.

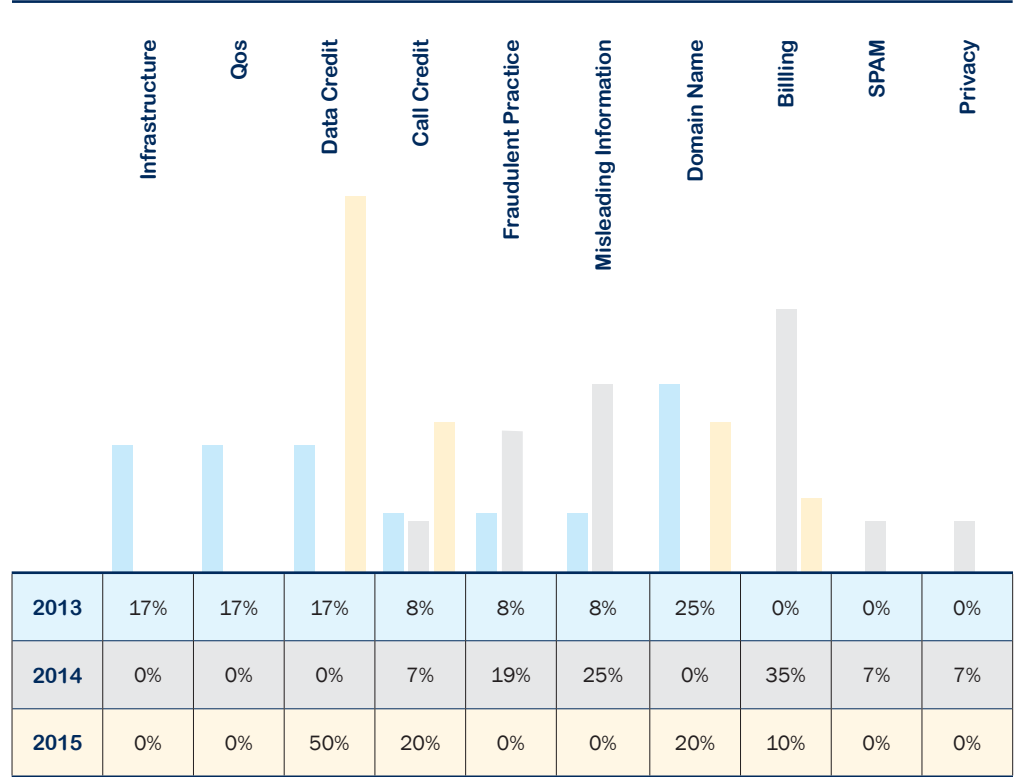
At the November Regulatory Internet Symposium TRR’s Champions had an opportunity to gain awareness and understanding of domain name matters, and participate alongside major operators, Government officials and various ICT stakeholders on high level, strategic and important discussion on telecommunications and regulatory issues.



Community consumer champions being part of the Internet Regulatory Forum

9.5 Complaints Handling and Resolution

TRR has been advocating between the consumers and licensees on a number of telecommunications/ICT complaints issues raised with us by consumers. TRR has received supporting feedback from the licenses, and this is indicative of the sound working relationship that TRR has established, to date, with the licensees and with consumers. For 2015, TRR’s consumer complaints handling focussed on a small number of consumer complaints compared to the previous years. The registered complaints for 2015 were with respect to data credit, and some relating to credit. The figure below shows the type and number of complaints received by TRR in 2015 .



These results indicate that TRR’s education and safeguard campaign is currently working well, that licencees are more consumer focussed, and that enhanced awareness of and by TRR’s Community Consumer Champions and public media programs are providing successful outcomes.

Income statement

For the year ended 31 December 2015

Expressed in Vatu

	2015	2014
Operating Revenue	247,273,108	177,754,106
Operating Expenses	(213,939,448)	(208,195,067)
Operating Surplus before payment to Universal Access Fund	33,333,660	(30,440,961)
Universal Access Fund	(15,000,000)	-
Operating Surplus / (deficit) after payment to Universal Access Fund	18,333,660	(30,440,961)

Statement of Financial Position

As at 31 December 2015

Expressed in Vatu

	2014	2013
Current Assets		
Cash and Cash Equivalents	56,284,228	98,679,933
Receivables	24,330,609	28,516,581
Other Assets	2,028,821	3,570,458
Non current assets		
Plant and Equipment	27,295,270	20,089,997
Total Assets	109,938,928	150,856,969
Current Liabilities		
Creditors and Accruals	23,408,928	62,699,661
Provisions	75,215	787,899
	23,484,143	63,487,560
Non Current Liabilities		
Provisions	2,693,782	9,131,101
Revolving Funds	20,593,375	33,404,340
	23,287,157	42,535,441
Total Liabilities	46,771,300	106,023,001
Net Assets	63,167,628	44,833,968
Accumulated Surplus / (deficit)	63,167,628	44,833,968

Annex 1 - Register of Consultants 2015

In accordance with section 11 of the Telecommunications and Radiocommunications Regulation Act 2009 (“the Act”), the list below indicates the consultants and advisors engaged with TRR, together with a summary of their expertise and works performed for, and on behalf of, TRR as at 31 December 2015 .

Name	Position Held	Area of expertise or project responsibilities
Ronald Box	Regulator, until 1 December 2015	Overall management of the office of the TRR in accordance with the Act. High level relations with the Government and industry stakeholders. High level representation at meetings of national, regional and international telecommunications regulation and on telecommunications/ICT matters.
Jeanette Yiu Hing	World Bank Coordinator	Coordination of the Grant and ensuring the objectives of the Grant Agreement are delivered. Coordination with OGCI0 in respect of the Grant.
Eric Braun	Legal Specialist	Legal and specialist assistance and guidance to TRR on legal, regulatory and economic policy matters. Eric works closely with the Regulator and TRR's Managers and staff.
Alan Short	Interconnection Specialist	Legal and specialist assistance and guidance to TRR on legal, regulatory and economic policy matters. Eric works closely with the Regulator and TRR's Managers and staff.
Incyte Consulting	Telecoms. Competition & Economic Regulatory Expert	Incyte Consulting focusses on the provision of expert telecommunication regulation guidance, analysis and determination of relevant markets, strategic measures for addressing anti-competitive actions, and relevant economic and competition assistance to the TRR team.
Geoff Luther	Spectrum Expert (TRR)	Geoff Luther's engagement with TRR commenced in February 2014, focusing on the provision of expert guidance and analysis of appropriate spectrum management practices including planning, pricing, monitoring, allocation, and economics of spectrum.
Dale Stacey	Spectrum Audit Expert	Expert high-level spectrum audit support and guidance to TRR in carrying out all aspects of the spectrum audit work including audit techniques, detecting unauthorised spectrum usage. Dale Stacey brings wide experience in the application of analytical audit tools. Dale commenced works with TRR on February 2015.
Challenge Networks Limited	Mobile Coverage, Internet Signal & QOS expert (TRR)	Contract terminated November 2015

