

Vanuatu Regulatory Statistical Framework An Overview

ITU Asia-Pacific ICT Indicator
Workshop , Manilla Philippine 2018



The Government
of The Republic
of Vanuatu



TRR
Telecommunication &
Radiocommunication
Regulator

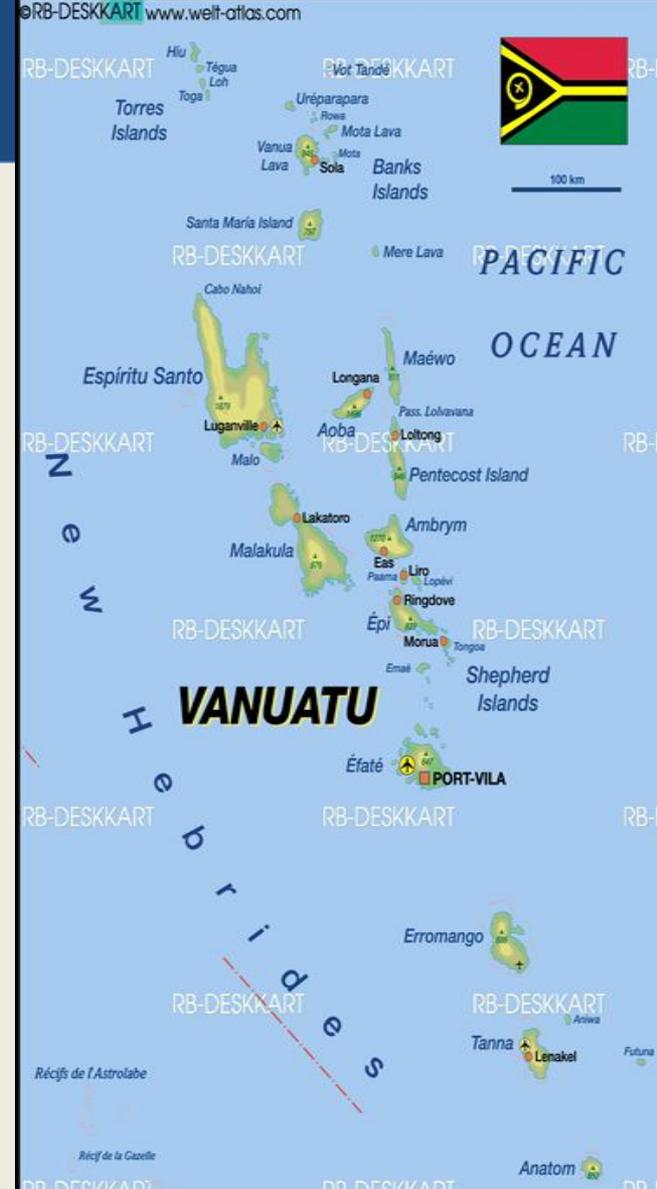
Overview of Presentation

- Vanuatu – a geopolitical overview
- Vanuatu's Market Overview
- Current statistical framework
- Framework Output
 - General Market Trends
 - Data use trends
 - Pricing Trends
- Challenges
- TRR's expectation



Vanuatu – Geopolitical Overview

- Archipelago consisting of 83 islands of which 63 are inhabited
- Population of approximately 272,459 (2017 mini census) with the annual growth rate of 2.3%
 - Around 40% of the population is under 15
 - 75% of the population live in rural areas
- GDP (2015) of VUV83,594 million (\$767.4 billion)
- Largest contributor to GDP is Tourism
 - Agriculture follows close behind
 - Telecom Services
 - 5% of monthly income is around \$US13
 - Cheapest unlimited internet service is \$US 58 per month (512 kbps advertised speeds)
 - ~\$US 9.70 for a 1GB monthly allowance of data
- Political system
 - Single chamber, multiparty, democratic republic
- Challenges
 - Political stability, anticipated economic recession , natural disasters (cyclones, earthquakes, tsunamis, climate change)



Vanuatu Market Overview

- Independent Regulator - TRR.
 - Established under the Telecommunications and Radiocommunication Regulation Act No.30 of 2009
 - 2017 Market revenue hits VT5.4 billion (USD51.86 million) compared to 2016 VT4.8 billion with annual growth rate of 22 percent.
 - Two full service carriers (Telecom Vanuatu, Digicel)
 - TVL dominant in fixed line and ISP
 - Digicel dominant in mobile
 - A further 2 ISP players
 - Telsat, Wantok (fixed 4G)
 - Cover main town (Port Vila) only at this point in time
 - Entry/Egress
 - Single Submarine Cable – Interchange Cable Limited
 - Connects Fiji – Vanuatu
- High Throughput Satellites
- Kacific Broadband Satellite provides broadband internet across the archipelago via HTS Ku band



Current Statistical Framework

- Under the Act a service provider has an obligation to report on their market statistics
- Original framework was introduced in 2010
- In 2015 the framework was updated to add statistical elements and to reduce the workload on service providers by moving to bi-annual submission of statistics
- Continuing market changes and the new ITU framework has led to a further review of the framework to align with ITU frameworks and improve data collection, by removing outdated elements and adding more relevant elements – currently in consultation process



Indicators

Mobile

- Subscriber growth Postpaid & prepaid fixed service
- On net minutes & revenue
- Off net Minutes & revenue
- On net & off net SMS sent & revenue
- International inbound roamers including Mins, revenue

Fixed telephony & Internet

- Fixed telephony subscriptions & Revenue
- xDSL internet access subscriptions & Revenue
- Fixed wireless data subscriptions & Revenue



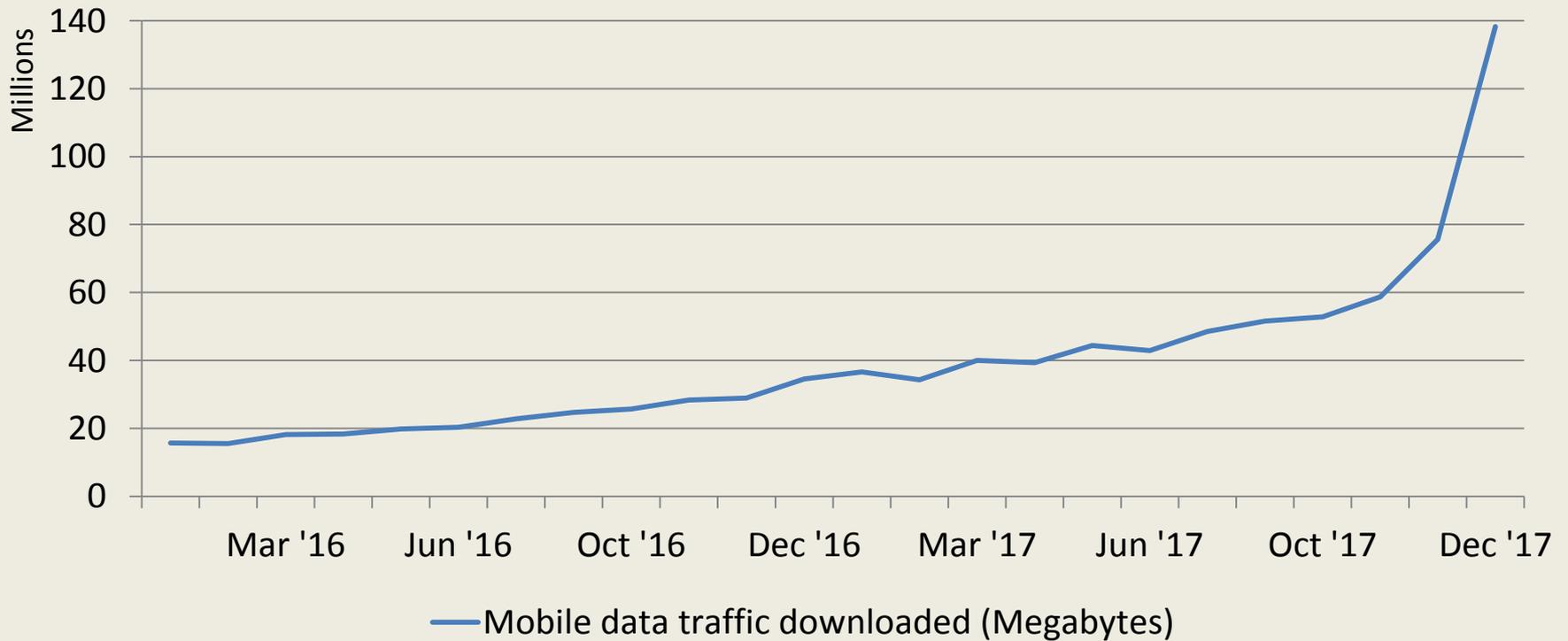
Market Trends

- Mobile penetration rate continues to grow, from 53% in 2014 to 80% in 2017
- Mobile coverage analysis shows 98.8% of the population have mobile coverage as of 1 January 2018
- Mobile data usage has grown dramatically in the last 2 years. Resulting in total annual downloads increasing 223% in 2017 over 2016 levels
- Fixed line telephony continues to decline slowly
- Fixed internet subscriptions are growing gradually year-on-year.
- Use of SMS has declined significantly as users switch to using OTT services such as Messenger, Facebook and WhatsApp.
- Mobile data bundles now typically have unit costs of around 1 US cent per MB.
- Access to streaming services such as Netflix is leading to greater demand and improving Quality of Experience, particularly in urban areas



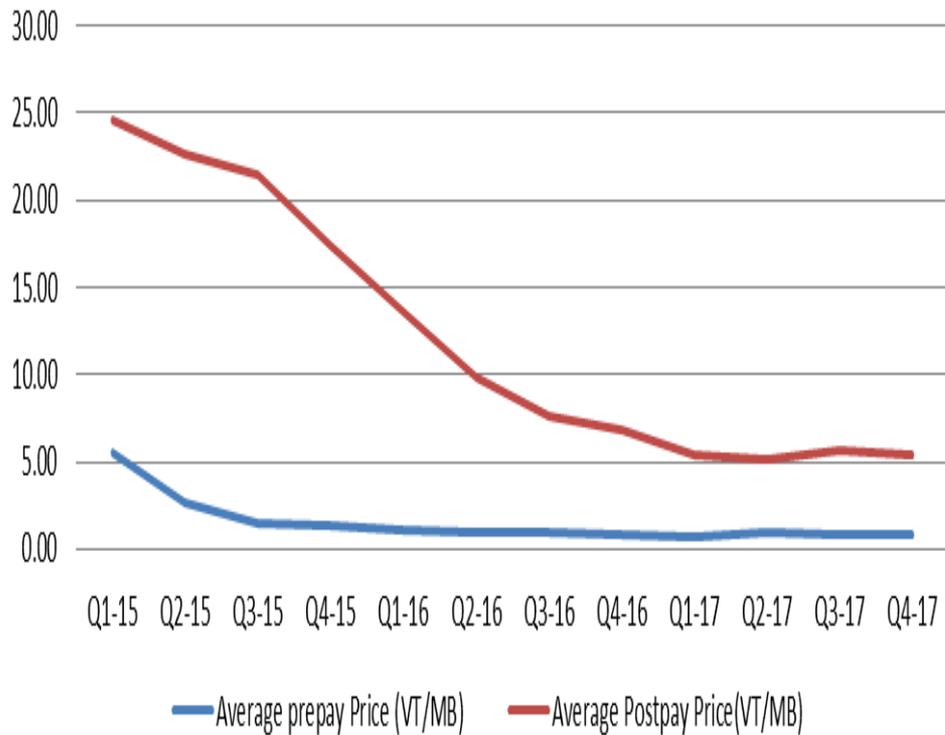
Data Trend

Total Mobile Data Traffic 2016 - 2017

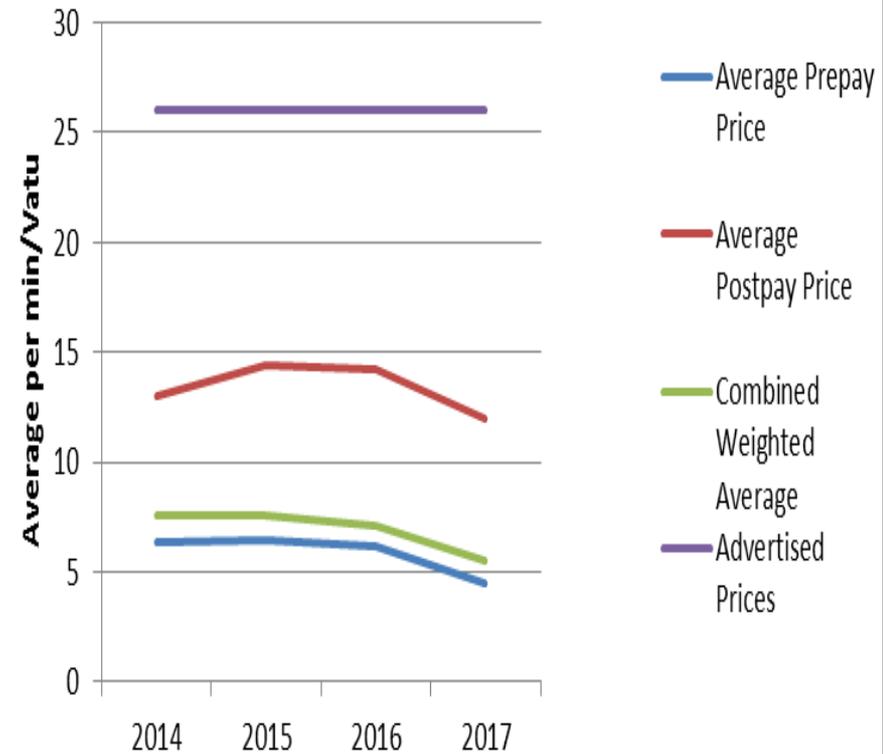


Mobile Data Price Trends

Mobile Data Average Pricing



Average price annual



Issue & Challenges

- **Accuracy of information submitted reflects**
 - Operator reluctance due to time commitments for submission
 - Lack of understanding between operators and Regulator on information require
- **Mobile subscriber numbers are questionable due to the high use of dual sim handsets**
 - A single handset can be active on both networks in the same month thereby inflating the subscriber numbers
- **Mobile data traffic has increased dramatically**
 - Are the numbers actually correct
- **A need for more collaborative approach with Stakeholders**
 - Operators, National Statistics office etc.



Way forward with our Proposed Data Collection Framework

TRR Statistical and Information Gathering Framework

Bi-Annual Stats
Collection Under
Order No.1

Annual Market
Survey

Other Data Collection Requests

Contains many current market indicators. Some adjustments and improvements. Includes some additional information (e.g. leased lines)

Requests investment and employment information. Possibly includes audited accounts or reconciliation of licence fees payments. Can include sections for priority issues raise with the regulator/Government

Could include surveys on specific topics with annualised reporting and benchmarking or maintain a limited set of defined indicators in order to formalise and require service providers to maintain records of a particular range of indicators or standardised information's.

Common ones could be standardised but not regularly required e.g. tower and infrastructure information

QoS Indicators
Collection Annual
Customer
Complaints Reports



What do we want to achieve

- To establish a workable regulatory framework and environment that is fair, transparent and importantly promotes accuracy of information dissemination to reflect the market
 - TRR's approach is to collaborate with all key Operators to ensure open, transparency and appropriate reporting is done
 - As such, TRR has undertaken a consultation on matters relating to the amendment of our Stats collection to improve efficiency of our reporting to our external stakeholders
- For operators who do not enforce their Licence obligation and continues to repeatedly fail on their part, TRR ordered them to comply.



Tankyu Tumas

