TELECOMMUNICATIONS REGULATORY COMMISSION VIRGIN ISLANDS

WORK PROGRAMME FOR 2009-2010

(INCLUDING ESTIMATES OF EXPECTED EXPENDITURE AND INCOME)

26th October 2009

CONSULTATION ON THE WORK PROGRAMME FOR 2009-2010

1. Introduction

This document is the Work Programme (the "Programme") of the Telecommunications Regulatory Commission of the Virgin Islands ("TRC") for the financial year of 2009-2010 (from 1 October 2009 to 31 September 2010). Estimated implementation dates for some tasks included in the Programme extend beyond the end of the financial year of 2009-2010. However these tasks are included in the Programme as it is envisaged that, in order for these tasks to be accomplished on or before the estimated implementation dates, the progress on them will have to be made during the financial year of 2009-2010.

This document also includes estimated expenditure of TRC, needed to support the implementation of the Programme, as well as estimated income.

The Programme has been prepared after taking into consideration discussions with various stakeholders in the telecommunications sector in the Virgin Islands as to what the priorities in regulating the telecommunications market here should be. This document also takes into account responses to the public consultation on the Programme, conducted from 9th to 30th September 2009. The results of this consultation are summarised in a separate report published by TRC.

When setting out the Programme, TRC has taken into account the stage of development of the market and the regulatory environment as well as TRC as an organization. Therefore **the specific objective of this Programme is to set a roadmap for establishing the foundation for an appropriate regulatory environment and an effective regulatory authority able to steer such an environment.**

The Programme sets out the projects that TRC believes it should concentrate on. There may however be alterations to the Programme due to the developments in the market requiring immediate attention of TRC, such as an excessive number of cases requiring regulatory action. This Programme does not include routine (operational) tasks and processes of TRC (such as licensing, including issuing frequency authorizations, dealing with consumer complaints, responding to queries of operators, resolving their disputes etc.). These tasks, however, will be dealt with as needed and an unexpected increase in the amount of work required to accomplish them may impact implementation of the Programme. Expenditures of TRC, as outlined below, are estimated after giving due consideration to a requirement to finance execution of such routine tasks as well.

TRC will internally develop detailed schedules for implementation of the tasks included in the Programme.

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The Programme should be based on and activities under the Programme should be guided by and a clear Vision and Mission of TRC. However TRC considers that it requires more time to fully develop these elements of the strategic framework of TRC so that they would be appropriate in the long run. Therefore for the purposes of this Programme TRC will use its interim Vision and Mission.

2. Interim Vision and Mission of TRC

For the purposes of this Programme the **Vision** of TRC is: **Best telecommunications infrastructure and services in the region in terms of innovation, quality, choice and competitive pricing.**

TRC's specific role in achieving the Vision is described in the Mission of TRC. For the Purposes of this Programme **Mission** of TRC is: **Enable and facilitate the availability and affordability of adequate telecommunications infrastructure and services with the view to ensure the long term benefit to the residents and businesses in the Virgin Islands.**

3. Regulatory Approach

In setting its work programme as well as selecting right tools and instruments for its implementation, TRC has to take into account a need to achieve its Vision and fulfil its Mission. In this regard TRC recognises a need to apply international best practices adjusting them to the local circumstances and requirements, where necessary. Among the factors to take into account are: the level of development of the market and regulatory framework, the size of the market as well as inherent limitations of the regulatory authority and market players in terms of resources available (both in terms of personnel and funds).

In the context above TRC believes that its primary aim is to create an environment that enables competition and unleashes the market forces to the full extent. In such an environment it is however important for TRC to ensure that necessary safeguards are in place to guarantee that consumers obtain maximum benefit from the competitive marketplace. It is also important for TRC to be responsive to the needs and concerns of the local community and concentrate on areas where the maximum impact can be achieved. TRC will also seek to achieve such maximum impact and benefit to consumers with the minimum necessary regulation and the most efficient use of its resources.

4. Work Programme - Overview

TRC believes that in the light of its Vision and Mission as well as the stage of the development of the market and the regulatory organization it is appropriate for it to pursue the following objectives in implementation of its most immediate work programme:

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1) Regulatory environment that enables market entry and open competition therein providing maximum long-term benefits to the residents and business of the Virgin Islands (**Enabling Environment**);

2) Proportionate pro-competitive regulatory intervention where competitive forces are unable to overcome market failures (**Fostering Competition**);

3) Consumers able to make informed choices about the services being offered to them and thereby acting as a disciplining force in the competitive market (**Consumer Awareness**);

4) Proportionate measures to achieve a basic level of consumer protection that market forces alone would not provide (**Consumer Protection**);

5) Telecommunications industry adequately supporting wider needs of the community (**Community**);

6) Regulatory institution able to establish and implement appropriate regulatory framework in an effective manner (**Effective Regulatory Institution**).

TRC has set the tasks it intends to accomplish under the Programme along specific action lines, each geared to pursue one of the objectives outlined above in the light of the immediate requirements of this stage of the market and institutional development.

5. Comprehensive Work Programme

Num-ber	Task	Objective	Subtask/Delivery	Estimated Implement-ation
Action Line 1: Enabling Environment				
1.1.	Market Data	Availability of information on the telecommunications market in the Virgin Islands as well as the possibility to benchmark it against other markets	1.1.1. First questionnaire and report	Q4, 2009
			1.1.2. Framework for recurrent collection of data	Q2, 2010
1.2.	Licensing Framework	Transparent and clear framework governing market entry	1.2.1. Licensing framework for telecommunications activities	Q1, 2010
			1.2.2. Position Paper on services provided outside of	Q1, 2011

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Num-ber	Task	Objective	Subtask/Delivery	Estimated Implement-ation
			the Territory (including VoIP services)	
			1.2.3. Licensing framework for broadcasting spectrum	Q1, 2010
			1.2.4. Telecommunications spectrum licensing framework	Q2, 2010
			1.2.5. Framework for ship licenses and similar authorizations	Q1, 2010
			1.2.6. Guidelines on transfer of a significant interest in a licensee or a frequency authorisation holder and assignment of licenses or frequency authorisations	Q4, 2010
1.3.	Framework for more efficient and effective use of spectrum	Efficient and effective use of radio spectrum as a scarce resource	1.3.1. Implementation of monitoring system	Q1, 2010
			1.3.2. Spectrum audit	Q2, 2010
			1.3.3. Spectrum Allocation Table	Q4, 2010
			1.3.4. Spectrum refarming plan	Q3, 2010
			1.3.5. Framework for unlicensed (license-exempt) spectrum	Q4, 2010
			1.3.6. Spectrum assignment plan for Broadband wireless services	Q4, 2010
1.4.	Telecommunications towers and similar facilities - framework for deployment	Addressing public concerns in relation to telecommunications towers at the same time ensuring efficient deployment of them, where needed		Q1, 2010
1.5.	Equipment approval framework	Ensure that use of telecommunications equipment does not		Q1, 2010

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Num-ber	Task	Objective	Subtask/Delivery	Estimated Implement-ation
		create harmful interference, without unnecessary barriers for bringing such equipment into the Virgin Islands		
1.6.	Numbering Plan	Numbers managed according to a clear and predictable framework		Q1, 2011
1.7.	Domain Name management	".VG" domain names managed in the best public interests of the Virgin Islands		Q4, 2010
1.8.	Facilitation of establishment of an Internet Exchange Point	Exchange of the local Internet traffic within the Territory and bettering conditions for local hosting of content		Q4, 2010
1.9.	Promotion of more competitive and resilient international connectivity	Evaluation of the adequacy of the existing international connectivity options and creating conditions for additional international connectivity		Continuous
1.10.	Interconnection framework	Ensure that interconnection process does not act as a market entry barrier		Q4, 2010
1.11.	Dispute resolution framework (between licensees)	Ability of market players to get a quick and efficient resolution of their disputes		Q3, 2010
1.12.	Guidelines on the Treatment of Confidential Information	Legal certainty to all the stakeholders as to when information is considered confidential by TRC		Q1, 2010
Action Line 2: Fostering Competition				
2.1.	Review of interconnection market/s	Ensuring that market failures, if any, in interconnection (in		Q4, 2010

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Num-ber	Task	Objective	Subtask/Delivery	Estimated Implement-ation
		particular, termination) market/s are addressed		
2.2.	Review of international calls market/s	Evaluating competition in international calls market/s and, if and where necessary, designing remedies to address possible market failures		Q4, 2010
2.3.	Review of multi-channel television delivery market/s	Evaluating competition in multi-channel television delivery market/s and, if and where necessary, designing remedies to address possible market failures		Q1, 2011
2.4.	Review of broadband market/s	Evaluating competition in broadband market/s and, if and where necessary, designing remedies to address possible market failures		Q1, 2011
Action Line 3: Consumer Awareness				
3.1.	Consumer satisfaction survey	Evaluating consumer satisfaction with telecommunications services and benchmarking market players in this regard		Q2, 2010
3.2.	Consumer awareness	Increased consumer ability to choose telecommunications services and protect themselves in the competitive market		Continuous
3.3.	Quality of Service reporting framework	Availability of transparent and easy-to-understand information enabling evaluation of quality of	3.3.1 Setting the framework	Q2, 2010
			3.3.2. First reporting	Q4, 2010

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Num-ber	Task	Objective	Subtask/Delivery	Estimated Implement-ation
		different service providers		
Action Line 4: Consumer Protection				
4.1.	Consumer protection framework	Basic consumer rights equally protected by all service providers		Q3, 2010
4.2.	Consumer complaints resolution framework	Ensuring that consumers can obtain expedient and appropriate remedy in case their rights are infringed		Q3, 2010
4.3.	Evaluation of Number Portability	Determining the feasibility and, if feasible, best ways to ensure consumer ability to retain their telephone number when changing service providers		Q4, 2010
Action Line 5: Community				
5.1.	Awareness on non-ionizing radiation	Increased public awareness about possible harms from non-ionizing radiation (e.g. radiation emitted by telecommunications radio-equipment) and current situation in this regard in the Virgin Islands	5.1.1. Facilitating independent measuring exercise and provision of information to public	Q1, 2010
			5.1.2. Adoption of requirements for periodic measurement	Q3, 2010
5.2.	Framework for emergency management and response	Clear framework for operation of telecommunications networks and services in case of disasters (including hurricanes) and other emergencies (including disruptions of telecommunications services); Ensuring that essential telecommunications		Q1, 2011

Num-ber	Task	Objective	Subtask/Delivery	Estimated Implement-ation
		services are provided in case of disasters		
5.3.	Technical framework for interwork between operators and law enforcement agencies	Smooth cooperation between telecommunications operators and law enforcement agencies ensuring that interests of all stakeholders are properly balanced		Q4, 2010
5.4.	Marketing opportunities in the Virgin Islands	Increased awareness of potential investors into telecommunications and other related markets about investment possibilities in the Virgin Islands		Continuous
5.5.	Caribbean ICT Roadshow / World Information Society Day	Organizing a major event of the Caribbean Telecommunications Union in the Virgin Islands with the view to increase public awareness about the opportunities provided by the information and communication technologies ("ICT")		Q2, 2010
5.6.	Contribute to the ICT education	Promote development of the ICT related skills in the Territory		Continuous
5.7.	"Greener" telecommunications sector	Promote use of more environmentally friendly technologies and processes as well as use of renewable energy sources in the telecommunications sector		Q1, 2011
Action Line 6: Effective Regulatory Institution				

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Num-ber	Task	Objective	Subtask/Delivery	Estimated Implement-ation
6.1.	New structure fully implemented	Ensuring that TRC has an appropriate set of skills and expertise, necessary to effectively regulate the telecommunications market		Q1, 2010
6.3.	Website and other channels of electronic communication	Enabling TRC's effective public communication via electronic means		Q4, 2009
6.4.	Consultation Process Framework	Transparent and clear framework for conducing public consultations by TRC		Q4, 2009
6.5.	Strengthening regional and international cooperation	Ensuring that telecommunications regulation in the Virgin Islands is better integrated in the regional and international processes		Continuous

6. Estimates of Expected Expenditure and Income (US Dollars)

Estimated Income Retained from Prior Periods	1,827,759.67
Estimated Income for 2009-10	2,075,000.00
Total Estimated Income	**3,902,759.67**
Estimated Operating Expenditure for 2009-10 Including:	2,760,903.34
Human Capital	1,813,168.34
Leaseholds, Maintenance and Utilities	231,495.00
Professional Fees	534,000.00
Public Relations and Events	131,700.00
Other	50,540.00
Estimated Capital Expenditure for 2009-10	787,060.00