



Digicel

Digicel Response to the Consultation on the Proposed Changes to the Universal Service Fund in ECTEL Member States

February 22, 2016



We thank you for inviting Digicel to provide its comments on the proposed changes to the Universals Service Fund in ECTEL Member States. Digicel is of course available, and would be happy, to discuss our submission further.

The comments as provided herein are not exhaustive and Digicel's decision not to respond to any particular issue(s) raised in the consultation document or any particular issue(s) raised by any party relating to the subject matter generally does not necessarily represent agreement, in whole or in part nor does any position taken by Digicel in this document represent a waiver or concession of any sort of Digicel's rights in any way. Digicel expressly reserves all its rights in this matter generally. This submission should not be considered to be our final position on the subject. If given the opportunity to do so, we may raise further arguments in support of our general position on the proposals made.

Please do not hesitate to refer any questions or remarks that may arise as a result of these comments by Digicel to: -

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1. Chapter 1 – Universal Service Issues

ECTEL proposes to augment the current scope of the universal service regime throughout the Contracting States:

- i. to include access to ICT's. This includes the imposition of obligations on contributors to the Universal Service Funds (USFs) (who are necessarily and only licensed telecommunications operators) to provide:
 - a. access to ICT devices to users;
 - b. the provision of ancillary services e.g. security, training, infrastructure equipment
- ii. to include objectives for the promotion and adoption of services via ICT's via publicly tendered projects

Universal Service Regime to Provide Service Only in the Absence of Competition

In light of these stated objectives, Digicel is concerned that that ECTEL proposes to arbitrarily apply the universal service regime not only to provide services that normal market operation would have otherwise prompted operators to provide but also to provide services that should be ordinarily provided or funded by entities other than telecommunications operators.

The underlying objective of any efficient universal service or universal access regime is to increase access to services where it would otherwise be uneconomical for licensed operators to do so. A universal service/access service regime is necessarily comprised of regulatory imposed measures which force licensed operators and service providers to make contributions (whether by direct monetary contributions or by service obligations) to provide services to persons or in areas where an efficient business plan would have dictated otherwise. It is imperative that this principle should guide the implementation of regional USFs.

Therefore, before ECTEL attempts to increase the scope of the current universal regime or to increase contributions to the USFs, it must first demonstrate the extent to which it can be reasonably considered that, even with robust competition, levels of access to ICT's will necessarily be lower than that required to meet national objectives. Unless this is proven, the imposition of additional regulatory requirements on licensed operators and service providers would necessarily sap the effects of competition in the regional market.

There is also the substantial risk that the broadening of the USF objectives would result in the fund being used to underwrite public sector services and facilities which in the normal course would have been provided out of the public exchequer or by contributions from other sectors such as electricity.



The wording proposed by ECTEL explicitly envisions such an outcome: *“ECTEL recommends that the scope of the USF is to ensure that ... public institutions are afforded opportunity to provide and receive information knowledge and services via ICTs that will improve efficiency, productivity and safety of our economies via publicly tendered projects”*

This would mean that the USF would be diverted away from improving the availability of access to electronic communications into activities which are more properly funded by central government. Such a diversion of USF resources would in result in lower levels of USF investment in improving access availability and would turn the USF into a sector specific tax used to fund general exchequer expenditure

Rather than adding additional regulatory burdens on licensed operators, we believe that ECTEL must seek to promote competition by the provision of incentives to lower costs to operators and by the creation of a level playing field where all persons providing services to the public in the Contracting States will be regulated and charged with similar obligations to pay licence fees and taxes and to make USF contributions.

Therefore, in the absence of proper justification from ECTEL as to why regulatory intervention is required to increase access to ICT's in the manner proposed, we consider that the increase in the scope of the USF regime in the manner proposed would be unjustified under the circumstances.

Improving access is a supply side objective. What ECTEL proposes now is a fundamental shift to apply the USF to demand side stimulation. While demand side stimulation may be a valid policy goal in the wider economy Digicel does not agree that this should be funded solely by service providers who are, at present, the only contributors to the USFs.

Many such demand side initiatives could and should be achieved through changes in public policy. For example a move to e-Gov services would yield efficiency gains in the relevant public service and drive demand for an on-line presence. The efficiency gains should mean that these initiatives would be self-financing and would not require USF funding.

Undue Burden on Licensed Telecommunications Operators

Although the effective promotion of access to ICT's would entail the provision of ancillary services such as training and a reliable supply of electricity, we do not consider that the cost of these services must necessarily be borne by the USFs. Rather, consideration must be given for the development of multi-stakeholder partnerships where the State and private enterprises have a definitive role to play. Based on the examples provided by ECTEL, there is a clear role for the public suppliers of electricity, for the Ministries of Education and even for local governments and community councils to fulfill in providing universal access to ICT's in each Contracting State.



In respect of the proposal that the USF is used to fund the provision of electricity infrastructure and facilities, ECTEL's proposal is tantamount to a direct subvention from the telecommunications sector to the electricity sector. It is perverse that this proposal would result in a sector with competitive dynamics being forced to subsidise the shortcomings of a sector characterized by monopoly structures. The correct way to deal with this is to use an Energy USF to fund areas where there is "under service" by the electricity suppliers or where input by electricity suppliers might be required to give effect to proper USF initiatives.

The converse of ECTEL's reasoning is that the energy sector should be levied to provide electronic communications devices so as to drive energy efficiency using the "Internet of Things".

Increasing the level of access to ICT's in the OECS region would be best approached if a broad eco-system is engaged comprising persons and organisations in each major developmental sector e.g. financial institutions, educators, NGO's, small and medium enterprises etc. To place the financial and implementation responsibility solely on the USF would serve to unduly burden contributors to the USFs and to disincentivise further investment in ICT's in the region.

ECTEL has not considered any of these alternative approaches to meeting wider policy objectives. Nor has it shown that the changes it now proposes will yield a higher benefit than these other alternatives.

2. Chapter 2 - Universal Service Fund Issues

Definition of "Under-Served"

ECTEL notes in the consultation document that although the Universal Service Regulations identifies one of the objectives of the Universal Service Fund is to encourage efficient access to and use of telecommunication networks and services with special focus on rural, under-served and maritime areas, the term "under-served" is not defined. Therefore, ECTEL now seeks to ascribe a definition to the term. ECTEL considers that the reference to the term "under-served" should not only be about geography but is also about access to the technology and the service. ECTEL further explains "under-served" should take into account areas with low available broadband speed as well as availability to the rich, poor, rural or urban areas, disabled, small business, senior citizen and high school student.

However, ECTEL proposes that the term "under-served" be defined as follows:

"under-served" means any area –

- (a) where the penetration rate for broadband subscribers in [ECTEL Member State] is below the national broadband penetration rate;*



- (b) *with a population density of eighty persons per square kilometer or less, and where public cellular services are not available.”*

This definition, not surprisingly, has clear geographical limitations as it is an unmodified adoption of the meaning of the term “under-served area”, a term which, according to ECTEL, is used in Malaysia. This does not appear to support ECTEL’s overriding objectives since there is no reference to limitations in relation to access to the technologies and the service.

Further, we note that the proposed definition refers to very measurable parameters such as a “penetration rate” and population density measurements. If this definition were to be adopted, the Governments of the Contracting States must be prepared to undertake the following before implementing any increase in the scope of the universal service regime in the manner proposed:

- i. Collect data and publish market reports to ascertain national penetration rates;
- ii. Conduct national population counts and assessments of population density; and
- iii. Conduct national digital divide surveys to establish the extent to which any area of population can be properly described as “underserved”

Digicel notes that the proposed definition will result in somewhat bizarre outcomes. If the penetration rate per 100 homes within equivalent geographic or demographic units of measurement is dispersed in a normal distribution then, by definition, half of the country will always be below the national average. On the other hand, if the distribution is other than this then even more unexpected outcomes might arise. For example if 25% of the geography has a penetration rate of say 40% and the remaining 75% has a penetration rate of 40% then this 75% will be below the national average.

Further, this definition conflates the concept of availability and uptake. “Under Served” on the plain English interpretation means service is not available. While penetration means relates to the uptake of available service. So two areas might be equally served but for demographic reasons (for example differences in age profile of residents) uptake and hence penetration might be different.

Digicel notes that the ECTEL proposals for the definition of “under-served” are modelled closely on those from Malaysia. In this regard there is a fundamental difference between the proposed ECTEL approach and the Malaysian approach. ECTEL’s definition includes any area which does not have cellular coverage while the Malaysian approach includes only those where the coverage is “not sufficient”. Clearly a lack of coverage in areas where there is no human habitation or activity does not give rise to policy issues and the Malaysian approach appears to be more balanced.

Contributors to the Universal Service Fund

Although ECTEL recognizes that the contributors to the USF must be expanded beyond licensed telecommunications providers, no indication is given as to who else must be required to contribute to the Fund.



It has always been Digicel's position that providers of OTT VoIP services must be regulated in Contracting States and must be compelled to make similar contributions to national economies. This includes contributions to the USF's. These service providers are allowed to extend their footprints to the Caribbean region, to provide services to the public and to generate substantial revenues – none of which remain in the region to be used for the support of our economies.

It is notable that a number of US states have instituted a "Netflix tax" while Australia, New Zealand and Japan have either already implemented or are in the process of implementing taxes on electronically delivered services.

Rather than increase the rate of contributions for licensed service providers and operators, ECTEL would easily see an increase in the USF's if currently unlicensed service providers were regulated and be compelled to contribute to the implementation of universal service in the region. The same approach should apply to handset vendors who generate revenues from the sale of telecommunications and ICT access devices to the public.

This course is especially true if the scope of the fund and the range of eligible bidders for USF funding are to be broadened.

The proposed broadened scope of the USF is a clear indication of the interdependencies between the various aspects of ICT. There seems little logic to ECTEL's proposal that only one class of stakeholder should subvent the other classes. If this approach were to be considered objectively, it may be more appropriate that the equipment and device suppliers contribute to a fund to be used in providing for increased network roll-out. After all, without a network to support services they couldn't sell devices.

Administration of the Fund

ECTEL has identified several measures which it believes are required for the USFs to work effectively. These include the requirement for service providers to submit financial statements, the need to "reprimand" providers who fail to pay USF contributions and the imposition of licence conditions on telecommunications providers.

It is disappointing that these measures, which already exist under the current regime, are the only measures that ECTEL can propose to optimize the administration of the Fund. When considered in tandem with ECTEL's stated objectives which, in themselves, are likely to usurp the role of competition in the market, these measures would necessarily result in an overregulation of telecommunications in the OECS region with little incentive for further investment.

In addition, woefully absent from ECTEL's proposals are recommendations as to effective administrative measures which can be applied to optimize the use of the USF's. The USF Study published by the International Telecommunications Union (ITU) in April 2013 identifies the lack of transparency, visibility



and accountability in USF reporting and the lack of proper oversight and governance as just a couple of the conditions which affect the effective management of USFs on a worldwide basis.

The ITU Study noted that over 50% of the countries highlighted in the study either have no formal public reporting process in place regarding the use and management of funds or do not follow the prescribed reporting process. As a result, it is often difficult to track the progress of projects in progress and in many cases, there are unclear, contradictory or non-existent relationships presented between funds collected, funds disbursed and remaining balance.

In the case of ECTEL Contracting States, the Regulations requires the NTRC's to establish mechanisms for proper management of the Fund, to liaise and consult with telecommunications providers and other industry stakeholders on the status of telecommunications industry technologies, markets, and other relevant developments and to monitor Fund Projects and enforce the terms of Fund Project contracts. The NTRC's are also required to prepare budget forecasts for the Fund for the following financial year and to prepare an Annual Report containing the audited Financial Statements of the Fund, the details of activities supported by the Fund and the details of awards of contracts. None of the NTRC's in the five Contracting States, in their annual reports for the last period, have published budgeted forecasts for the Fund for the next reporting period, audited financial statements for the Fund or details of contracts awarded. Therefore, key stakeholders are unable to assess and to keep track as to the manner in which funds are disbursed.

In order to make effective use of USF's the ITU recommends the following as it relates to the proper administration of USF's:

- i. **Development and clear definition of measurable overall Fund objectives which can subsequently be tracked and monitored.** These objectives must:
 - include detailed coverage (e.g., geographic, population/population segments) and service targets tied into a specific time frame;
 - be prepared in consultation with industry and stakeholders;
 - be presented in one or more easily accessible information sites/media;
 - contain clearly articulated measurement parameters that will allow milestones and achievements (or lack thereof) to be clearly tracked and demonstrated
 - be measured and reported in a format so as to facilitate independent verification
 - be subject to annual review and adjustment in consultation with the stakeholders
- ii. **High level of transparency, visibility and accountability to all stakeholders.** This would entail:
 - minimum of annual reporting on performance of fund (quarterly or bi-annual would be preferable) that should include, at a minimum, the following:
 - recap of any USF tenders held and results of same



- overview of approved USF projects in progress (project description, coverage goals and timelines)
- performance of fund projects against targets with respect to coverage targets, project budget, timelines, etc.
- statistics and status on funds collected
- statistics on funds collected versus funds disbursed as well as tabulation of remaining balance
- explanation of any roadblocks / impediments /challenges encountered in disbursement of funds
- outline of targets and objectives for the next financial year

- **Annual public audits with results publicly reported and published**

We propose that any proposal to expand the scope of the universal service regimes in ECTEL Contracting States must be accompanied by similar measures to improve the administration of the USFs by the NTRC's. Interestingly, however, we note that the Universal Service Regulations in effect in the Contracting States do, in fact, contain reasonable measures for the proper administration of the USF's. However, these are clearly never followed by the NTRC's. Therefore, rather than attempting to introduce new measures to unduly and unnecessarily overregulate the implementation of universal service in the region, ECTEL should place greater emphasis on implementing the measures that are already in place.

ECTEL has carried out no assessment of the effectiveness of the administration of the existing Funds. While it cites various implementation rates it has provided no information as to whether the application of the existing fund resources has resulted in sustainable improvement in the participation rates of citizens in the digital economy.

Establishment of a Reserve Fund

ECTEL proposes to establish a Reserve Fund, separate from the existing USFs, to provide for unanticipated debts which fall outside of the range of the normal working budget.

Digicel completely disagrees with this proposal. In the absence of proper accounting and reporting requirements which demonstrate the need for a reserve fund, such a proposition is totally unjustifiable. Further, if the Fund were properly managed in the first place, there would be no need for additional funds to address unforeseen debts. It is not clear how unforeseen debts could possibly arise if the USF is to be disbursed on a tender basis. This would be an unjustifiable and inappropriate use of contributors' funds, which we shall vigorously oppose.

Establishment of Regional USF



ECTEL also proposes the establishment of a regional USF to cover cross-border activities. Again, ECTEL makes proposals for the wanton use of USF funds without proper justification. The consultation document does not give an idea as to the nature of these cross-border initiatives. However, we consider that, at the very least, these should be initiatives which, demonstrably, would increase access to ICT's on a regional basis and which, in the absence of regulatory intervention, cannot be implemented by the licensed operators and service providers themselves even if they were properly incentivized to so do.

Further as the USF is a national levy it is not clear how contributions to such a regional fund would be calculated and how "grants" from such a fund would be disbursed to ensure equity between the contracting ECTEL states. In effect as distinct legal entities in each jurisdiction, licensees would be taxed on their economic activity in their home market with these taxes being applied in an opaque way in other jurisdictions.

3. Chapter 3 – Accounting Requirements Issues

Increase in Allocation for Administrative Expenses

ECTEL proposes that a larger portion of the USF Funds be used for the administrative budget of the Fund i.e. from 10% to 15%. The consultation document sets out no reasoning or justification for this proposed increase.

As stated above, thus far, the NTRC's have done little to report on and to give a proper and transparent account of the administration of the USFs. This does not inspire confidence that the USFs are being properly utilised in accordance with the Regulations. Therefore, unless we are satisfied that the effective administration of the Fund requires that there should be an increase in the allocation for administrative expenses, we do not agree to ECTEL's proposals in this regard.

Given the general level of underutilization of the existing funds, decreasing the proportion of the USF that will be directly applied to the achieving the objectives of the USF (from 90% to 85%) cannot be justified.

Allocation to Fund ICT Entrepreneurial Start-Ups

Although we can agree that there is a need to boost small and medium sized enterprise activity throughout the region, we can only support the use of the USF's to fund ICT entrepreneurial start-ups if there is consensus among stakeholders that the specific businesses to be funded are required to boost the level of access to ICT's and if the initiatives are such that they can easily complement the businesses of licensed operators, service providers and contributors to the fund e.g. local content generation. We cannot agree to the use of contributors' funds to fund the start-up of businesses that would necessarily



compete with licensed operators and service providers as this would serve to create an uneven playing field in the market for ICT services.

Using the USF to fund start-ups raises a question of the sustainability and commercial viability of the start-ups in question. While many countries provide “incubator” type supports for start-ups these are typically funded from the public purse rather than by a levy on one sector of economic activity. Returning to ECTEL’s earlier proposal in respect of deploying the USF to provide electricity infrastructure then why shouldn’t the energy sector fund the ICT start-ups as a form of demand side stimulus for energy consumption?

4. Chapter 4 – Fund Projects Issues

We agree that, in the interests of transparency, the process for determining the scope and nature of the projects that may be eligible for USF support in any given financial year must be specified in Regulations rather than in Guidelines.

5. Chapter 5 – Procurement Issues

ECTEL proposes to change the bidding criteria to allow persons other than telecommunications providers and operators to bid to execute USF-funded projects.

At present, the Regulations provide that the USF’s shall consist of not only contributions by telecommunications providers but also of funds appropriated by Parliament and official grants and donations etc. However, we are not aware that any other contributions have been made to the Fund other those made by licensed operators and service providers. Indeed, there is no obligation for any other person to contribute to the Fund.

If ECTEL were to change the bidding criteria to allow persons other than telecommunications providers and operators to bid to execute USF-funded projects, a situation would develop where non-contributors to the USF’s would be charged with the execution of projects in which they themselves have not made any investments in the form of an initial capital outlay, as is usually the case in any commercial undertaking. Non-contributors to the Fund are not likely to have a real and vested interest in the judicious use of the USF funds. As a result, there will be little incentive on the part of such persons to execute any USF-funded project with an objective other than to walk away with a large profit margin.

On the other hand a telecommunications provider, who is also a contributor to a USF, will definitely have the incentive to ensure that proper use is made of the funds as he would have a vested interest to ensure that the funds are properly disbursed. If a telecommunications provider does not have the required capacity or necessary skilled personnel to execute specific components of a project, then so as to ensure that his bid is competitive, he would be compelled to outsource these services. Indeed, he would have



to satisfy the evaluation committee that he can properly execute the required works within the tendered costs.

Therefore, if it ECTEL's concern to increase the general competitiveness of USF bidding processes, we consider that this can be addressed as part of the process itself by the implementation of sound and relevant bidding criteria and in the proper evaluation of bids. Appropriate incentives may also be introduced.

Under the circumstances, therefore, we consider that it would only be appropriate to change the bidding eligibility as proposed by ECTEL if the Regulations were amended to impose the obligation to contribute to the USF's on persons other than telecommunications service providers.

To do otherwise, results in a direct transfer from Licensees to other parts of the economy.

An alternative approach might be to limit bidding on projects funded by levies on licencees to service providers while opening bidding to projects funded by public sector contributions to the fund to a wider range of bidders.

6. Chapter 6 – USF Contribution

ECTEL recognizes that the use of USF funds should be extended to cover ancillary/complementary ICT-related activities in accordance with government's digital agenda. However, the consultation document does not give an indication as to what is the digital agenda or ICT policy of the government of any of the Contracting States or, at the very least, where such policy could be found.

In order for USF contributions to be properly applied to activities ancillary to the promotion of access to ICT's, government policy must clearly set out government's objectives as it relates to the promotion of access to ICT's. Although high-level, Government policy must identify measurable national targets in this regard. These national targets must necessarily be attained by a multi-stakeholder approach which would include but would not be limited to the NTRC's and telecommunications service providers. Other government agencies should be involved to the extent permitted by their respective budgets and work plans which should all be aligned with the national ICT policy. It is only when Government has identified these national targets that the NTRC's can then articulate the overall USF vision and the specific activities required to attain national targets and the extent to which ancillary activities should be funded by the USF, if at all. We consider that all these deductions must be publicly reported.

Therefore, we submit that USF funds should only be applied to fund ancillary activities if the specific ancillary activities:

- i. are clearly identified; and



- ii. are demonstrably required to attain government policy targets to promote access to ICT's; and
- iii. do not at all fall within the purview of any other government agency or private organization; and
- iv. are properly budgeted for in the USF; and
- v. are managed by (general oversight) the NTRC's and reported on in accordance with the Regulations

ECTEL proposes to increase the USF contribution rate from 1% to 2% of gross revenue, to be implemented on a tiered basis, to provide additional funding to the USF where the current contribution level is insufficient to meet the needs of the USF. According to ECTEL, if in any year the USF implementation rate is greater than or equal to 85%, in the next year the USF may increase the contribution rate by 25 basis points up to a maximum contribution rate of 2%.

We submit that any proposal to increase the contribution to the USF from 1% in any given year must be properly consulted on and supported by thorough reporting and accounting of expenditure for the last financial period and by the submission of detailed estimates of expenditure for the period in which the increase is proposed to take effect. The specific work plan proposed must also be the subject of consultation. If, upon consultation, stakeholders are not satisfied that the increase is reasonably required, then the increase should not take effect. For instance, if the estimates for a specific project or a component thereof, show that it is proposed that the USF be drawn upon to fund activities which fall within the purview (whether budgeted or not) of any other organization, whether public or private and it is not demonstrated why it is reasonably necessary that USF funds should be applied, then this is an expenditure that should not be satisfied by USF funds and an increase in contributions would not be justified under the circumstances.

By ECTEL's own illustration, only one USF among the five Contracting States have an implementation rate of 100%. Even in this case, the only figures that we are privy to are the sums collected and sums disbursed. In the absence of proper reports and audited accounts, we are not in a position to verify whether the disbursements for the period were properly made or whether the estimates are at all reasonable. Using the example of St. Vincent and the Grenadines, which, according to ECTEL's illustration, would be in a position to implement an increase in contribution rates, the reference to the purported need for the generation of local content in St. Vincent remains unsupported by government policy and appears to be arbitrary at this time. There are no clear measurable targets, no specific activities identified and no justification as to why these initiatives should be funded by the USF as opposed to other sources of national funding.

In fact, given the level of shortfall in implementation rates for the existing USFs there is no short to medium term requirement for any increase. Sufficient headroom exists within the current level of contribution to accommodate a broadened scope for each USF. With contributions being set as a percentage of gross revenues, if the application of the USFs achieves sustainable increases in participation



in the digital economy, then the increased revenue from this would necessarily result in an increase in the absolute level of contributions to the USFs even at the current percentage level.

ECTEL's proposals only have a logical basis if the application of the USFs does not result in sustained increases in economic activity in the sector. If this is the case, one would then be forced to ask whether the USFs are being applied appropriately.

In justifying its proposals to increase the contribution level ECTEL makes no assessment of the efficacy of the existing fund distribution. It simply states what the distribution rates are. It does not make any assessment of whether such distributions are in line with the Fund objectives. Even if they are broadly in line with the objectives there is no "value for money" assessment of either the funded projects in terms of their hoped for benefits whether nor whether these deliverables have actually been met.

Even where the existing funding levels are over-subscribed by candidate projects a robust assessment of the project deliverables and benefits is likely to produce a prioritized list of projects to be funded which deliver maximum benefits for a given level of USF investment. Not every project which seeks funding should actually be funded.

Similarly, the listing of the contribution rates for universal service in other countries, set out in Annex 2, bear little relevance to the determination of contribution rates in the OECS in the absence of information as to how the funds were applied and how the USF was managed in these countries. It is likely that these rates were properly justified under the circumstances.

In summary, Digicel does not agree to any proposal that would allow the NTRC's to unilaterally raise the contributions to 2% in any given year. This proposal is premature in a circumstance where there is no clarity that the existing funding levels are being efficiently applied. This would divert funds required for investment and be counter-productive.

7. Chapter 7 - Review of Universal Service Regulations

Digicel agrees with the proposal to amend the Regulations to include a clause indicating that the Regulations should be reviewed at least every 5 years or sooner if there is a significant change in the market.

Summary

Digicel believes that the converging ICT market means that regulators must adopt a structurally different approach to issues such as USF. Going forward it will be unsustainable for licensed operators alone to support USF.



Broadening the types of contributors to the USF now will mean that as the market share of currently unregulated Services Providers increases (with a corresponding decrease in licenced operators revenues) then the total amount of USF contributions will meet requirements without the need for increases in the contribution level.

Better cost benefit analysis of the use of the USF will also help. Focusing on projects and initiatives that lead to sustainable increases in economic activity will result in increased telecoms expenditure with a knock on increase in the absolute amount of contributions even at current percentage levels. Annual reporting which analyses the benefits and impacts of USF initiatives would help keep this focus.

A more holistic view which looks to broaden the contributor base and which also focusses on increasing the activity in the ICT sector would mean that the benefits of the USF could be delivered to citizens without the need to impose what is essentially an additional tax on an already hard pressed sector.

- **END OF DOCUMENT** -