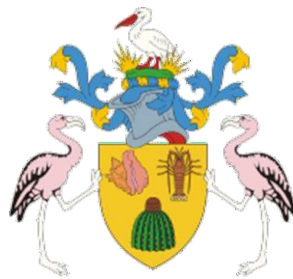


**GOVERNMENT
OF THE
TURKS AND CAICOS ISLANDS**



TELECOMMUNICATIONS COMMISSION
SELF-FINANCING

TCI TELECOMMUNICATIONS COMMISSION

JUSTIFICATION FOR ESTIMATES

BUDGET 2021-2022

ACCOUNT	DESCRIPTION
1100 REVENUE	
1101 Network Fees	The Network Fees from carriers are paid based on (7% of gross revenue or \$1,000,000 whichever is greater) as prescribed in the Fee Structure Regulations 2020.
1102 Regulatory Fees	Regulatory Fees from carriers are paid based on (1.8% of gross revenue or whichever is greater) as prescribed in the Fee Structure Regulations 2020.
1103 Spectrum Fees	Spectrum Fees as prescribed in the Fee Structure Regulations 2020. Due to the number of Spectrum Licenses already issued.
1104 Other License Fees	Miscellaneous License Fees for (Type Approval Certificates, Aircraft & Handheld Radio Licenses). As prescribed in Fee Structure Regulations 2020.
1105 Miscellaneous Fees	Miscellaneous Fees for (Application fees, etc.) as prescribed in Fee Structure Regulations 2020.
1106 Interest	The Commission estimate for interest earn on funds held in our Money Master Account.
	OPERATING EXPENDITURE:
1200 COMMISSIONER'S EXPENSES	
1201 Commission Meetings	This expense covers the Commissioner's monthly allowances at a reasonable fixed monthly stipend (Chairman \$1,500 and other Members at \$1,000.00) irrespective of the number of meetings held each month.
1202 Commission Meeting Cost	This expense covers meals/refreshments for monthly board meetings/ meetings with industry stakeholders & entertainment.
1203 Commission Travel & Others (Overseas)	This expense covers the costs for travel, accommodation and registration fees for annual Conferences/Workshops/Seminars (i.e. Public Utility Research Centre, CANTO, CTU, CTO, OOCUR, GSR, GSMA).
1204 Commission Travel & Others (Local)	This expense covers the cost for travel and accommodations for Commissioner's who must travel to Providenciales to attend monthly meetings, and various conference/workshop held throughout the year.
1300 STAFF SALARIES	This expense covers salaries for employees.
1400 STAFF BENEFITS	
1401 Health/Medical Insurance (Directors)	To satisfy the terms of the Directors contracts.
1402 National Health Insurance (NHIB) - Contributions	The Commission's NHIB for all its employees
1403 National Insurance (NIB) - Contributions	The Commission's NIB for all its employees
1404 Staff Benefits and Allowances	This expense cover all employees salary and allowances (i.e. telephone, island, housing, bonus, acting and responsibility) are captured under this heading. Also an adjustment for HR review staff performance evaluation.
1405 Pension and Gratuities	

This expense is being budgeted, to cover the pending policy for regular employees pension plan and gratuities for fix term contracted employees.

1500 OFFICE RENT, SERVICES, EQUIPMENT, SUPPLIES & INSURANCE

1501 Office Rent

This expense covers the cost for office rental space, to anticipate an increase, as lease agreement with current landlord due to expire July 31st, 2023.

1502 Telephone, Fax & Internet Communications

This expense covers the Commission's cost for telephone, fax, internet and cable with agreements with the following (Cable & Wireless, Digicel and Digicel Play).

1503 Utilities

This expense covers the three (3) year rental agreement with current landlord which expires July 31st, 2023 which includes the following utilities (Electricity and water).

1504 Office Expense

The expense covers the cost for office supplies, staff uniforms, security contract, small equipment's, and any other office supplies relating to COVID-19 etc.

1505 Repairs and Maintenance

To cover the cost for janitorial services and office sanitation due to COVID-19 for a healthy environment to work in daily, plus other miscellaneous repairs and maintenance to office space.

1506 Insurance (Office furniture and Equipment, etc.)

The Commission office has a requirement for standard computer, copying and facsimile equipment. Also, we have acquired very expensive Spectrum Management and Monitoring equipment that must be insured.

1507 Bank Service Charges

Our bank requires the Commission to pay fees for the maintenance and transactions on our accounts.

1508 Depreciation

The Commission operates its business on the accrual method of accounting, therefore an amount must be set aside for depreciation for its business assets.

1600 TRANSPORTATION & TRAVEL

1601 Overseas Travel, Allowances & Other

The Commission participates in various conferences, seminars and workshops throughout the region, internationally and locally. Attendance and participation in such events are of vital importance as we seek to address issues related to telecommunications developments in TCI, and remain abreast with new developments within the international telecommunications arena. We estimate, based on a projection for attendance of the following conferences, seminars and workshops overseas: (OOCUR, CANTO, PURC, CTO, CTU, GSR, GSMA etc.) with cost for (i.e. registration, flight, accommodation, meals and other travel related expenses).

1602 Overseas Travel, Allowances (Minister of Communications)

This expense covers the cost for the Minister for Communications to travel on Commission's behalf. Commission participates in various conferences, seminars, and workshops throughout the region, internationally and locally. Attendance and participation in such events are of vital importance as we seek to address issues related to telecommunications developments in TCI, and remain abreast with new developments within the international telecommunications arena. We estimate, based on a projection for attendance of the following conferences, seminars and workshops overseas: (OOCUR, CANTO, PURC, CTO, CTU, GSR, GSMA etc.) with cost for (i.e. event registration, flight, accommodation, meals and other travel related expenses).

1603 Local Travel, Allowances & Other

In order for the Commission to achieve its objectives and fulfil its directives of TCIG, the Ordinance, and Regulations, from time to time inter-island travel is required. The Directors and travel to Grand Turk for meetings and our Engineering department also travel to conduct spectrum audit during the year. The Commission Budget for airfares, transportation and accommodation to cover these expenses.

1604 Automobile - Repairs & Maintenance /Licenses & Insurance

This expense covers the cost for regular servicing, repairs, cleaning, fuel and insurance for the Commission's four (4) vehicles.

1700 TRAINING, HOSPITALITY, DUES & SUBSCRIPTION

1701 Staff Training

This expense is to cover staff education enhancement for a degree or certification at an accredited institution.

1702 Hospitality/Entertainment

This expense cover the cost for (i.e. food and beverages) at industry stakeholders meeting, staff quarterly empowerment lunch and annual Christmas functions.

1703 Dues and Subscriptions

This expense covers the cost for the Commission to a member of several organizations (i.e. CANTO, CTU, OOCUR, QuickBooks, Microsoft etc.)

1704 Advertising and Promotions (New)

This expense covers the cost for promotions and advertising of our organization at various events on consumer protection, also small donations to various organization (e.g. Cancer foundation, etc.).

1800 PROFESSIONAL SERVICES

1801 Accountancy Services - (N/A)

1802 Audit Services

This expense covers the cost for the Commission contracting an External Auditor to complete the Commission's Annual Audited Financial Reports.

1803 Consulting Support & Services

This expense covers contractual agreement with Local and International organizations to assistance the Commission. (i.e. legal, technical, economic and financial despites, and other services) when necessary, due to convergence of technologies, regulatory issues such as Net Neutrality where the Laws have limited guidelines.

1900 Miscellaneous Contingency Expenses

This expense covers the cost for unexpected contingencies that may arise during the year.

2000 CAPITAL EXPENDITURE

2001 Furniture & Equipment

To cover the cost for the replacement of damaged Furniture and Equipment (i.e. printers, desk, chairs and storage cabinet etc.) as these items are depreciated, and to accommodate additional staff.

2002 Equipment

To cover the cost of the Commission Specialist Spectrum Monitoring Equipment.

2003 Computer Software & Hardware

To cover the cost for upgrading the Commission's existing Computers Software & Hardware to facilitate Spectrum management software.

2004 Vehicle (Replacement)

The cost of replacing two depreciated vehicles to avoid costly repairs and maintenance.

2005 Leasehold Improvement

N/A to 2021/2022 Budget

2006 Land & Building

This is the cost to construct the Telecommunication Commission office building. In an effort to offset the cost to continue leasing an office space, the Commission is seeking to construct its own office space in 2021/22. This would allow the Commission to provide a greater Surplus funds to TCIG Over the years.

GOVERNMENT OF THE TURKS AND CAICOS ISLANDS
 Programme and Performance Indicators for April 2021 - March 2022
 TELECOMMUNICATIONS COMMISSION

STATUTORY BODY SUMMARY

MISSION:

Our mission is to ensure that all consumers and businesses in the Turks and Caicos Islands have access to quality telecommunications services, at reasonable rates, in a full competitive marketplace. We will continue to work at improving the sector performance so that the economy will achieve growth, increased employment opportunities, revenue inflows and a vibrant telecommunication industry.

STRATEGIC PRIORITIES:

Smart Regulation, Stewardship, Cost Cutting, Efficiency, Safety and Quality.

MINISTRY EXPENDITURE - BY PROGRAMME

Code	Programme/Department	2019/2020 Actual	2020/21 Approved Budget	2020/21 Revised	2020/21 Forecast Outturn	2021/22 Forward Estimates	2022/23 Forward Estimates	2023/24 Forward Estimates
	Operating Expenditure	\$ 1,139,804	\$ 1,707,646	\$ 1,707,303	\$ 1,244,448	\$ 1,698,978	\$ 1,736,457	\$ 1,754,033
	Capital Expenditure	\$ 65,531	\$ 143,500	\$ 143,500	\$ 105,057	\$ 160,000	\$ -	\$ -
TOTAL AGENCY BUDGET CEILING		\$ 1,205,335	\$ 1,851,146	\$ 1,850,803	\$ 1,349,505	\$ 1,858,978	\$ 1,736,457	\$ 1,754,033

STATUTORY BODY STAFFING RESOURCES – Actual Number of Staff by Category

Executive/Managerial	3	4	5	5	5	5	5
Technical/Front Line Services	1	1	1	1	1	1	1
Administrative Support	3	3	3	3	3	3	3
Wages Staff							
TOTAL AGENCY STAFFING	7	8	9	9	9	9	9

PROGRAMME PERFORMANCE INFORMATION

KEY PROGRAMME STRATEGIES FOR 2020/21	ACHIEVEMENTS/PROGRESS IN 2020/21
Number Portability (NP): The completion of the current tender process and selection of a consultant to assist the Commission with the implementation of NP in TCI by 2Q FY 2020/21. Thereafter, the launch of a consultation process to review and design the implementation of NP in TCI. This would be the first phase of the NP implementation process, by Q4 FY 2020/21	The Commission will continue efforts to proceed with this project. This project will take about three years to complete, and is planned to commence Q1 FY-2021/2022, and should be completed by 2024.
Digicel HNI -The continuation of the Commission's efforts to conclude the Digicel HNI non-compliance matter relating to Digicel's use and implementation of a TCI MCC, by Q4 FY 2020/21.	Digicel has implemented the assigned TCI HNI code and is working on resolving minor issues encountered with some handsets during the switchover. The next stage of this project involves swapping out all TCI customers' SIM cards for new ones. The final implementation is estimated to be completed by year-end.
TCI ccTLD, ".tc": Resolve the matters relating to the regularization, stabilization and ongoing administration of the TCI ccTLD, ".tc" by Q4 FY 2020/21.	The matter is still ongoing, with communications with TCIG and ICANN representatives, who administer all top-level domains (TLD). The commission is only assisting TCIG with this project, therefore we cannot estimate a date for completion.
Electromagnetic Field (EMF)System: The Commission has already installed an Electromagnetic Field (EMF) system in Providenciales that measure wireless emissions from cellular towers to ensure that they are operating within all required standards to limit public exposure to harmful radiation. Continuation of Installation of Electromagnetic Field (EMF) Systems throughout TCI is an ongoing project.	The EMF system is being deployed using a phased implementation approach and is divided into four phases. The first phase has been completed which involved the deployment of 2 (two) additional units in Providenciales, on May 2021. Additional equipment will be acquired and deployed on an annual basis following assessments to identify key areas to monitor. The remaining phases of this project are expected to be completed by Q4 FY-2021/2022.
Telecommunications Fee Structure Regulations: Initiate an extensive consultation on the Fee Structure Regulations to change and set a new category of Telecommunications Network Licenses and fees. This initiative is expected to be completed by Q4 FY 2020/21.	Telecommunications Fee Structure Regulations was completed on December 18, 2020. Additionally, the Commission amended the Interconnection and Access to Telecommunications Facilities Regulations on October 13, 2020. The Telecommunications Fee Structure Regulations will be reviewed annually, with another revision schedule for Q4 FY-2021/2022
Website: The engagement of a web design and maintenance service provider to redesign, host, and maintain the Commission's website, Q2 FY 2020/21	The website is in its final stages. It is currently undergoing final revision and editing before being launched. We expect to conclude the website development project in Q1 FY-2021/2022.
Spectrum Management System: The procurement of an automotive administrative licensing software database to process the Commission's license by Q2 FY 2020/21	The Commission was unable to purchase the software due to the cost, which was more than initially budgeted. This project is being deferred to Q2 FY-2021/2022.
National Spectrum Plan: The completion of a spectrum audit and revised the National Spectrum Plan in line with the International Telecommunications Union (ITU) spectrum plan by Q2 FY 2020/21	The National Spectrum Plan was delayed due to receiving updates from the ITU. The consultation process has now commenced and, the Commission is currently reviewing comments from the industry. This project is expected to be completed by Q2 FY-2021/2022.

<p>Human Resources (“HR”): In November 2020, the Commission consulted a qualified firm that is skilled, competent, and experienced in the field of organizational development to conduct a comprehensive review of the Commission’s Human Resources (“HR”) to review and address strategy and strategic competency for the development of the sector.</p>	<p>The Commission’s Human Resources (“HR”) project was completed May 2021.</p>
<p>Emergency Preparedness and Response Policy: In the context of the Commission’s network infrastructure survey and information collection exercise, due to network outages that occurred following Hurricane Irma, the Commission has concluded that an Emergency Preparedness Agreement needs to be established between Flow and Digicel and an Emergency Preparedness and Response Policy for TCI.</p>	<p>The Commission commence a project to complete an Emergency Preparedness Agreement & Response Policy for TCI, and this project has been deferred to COVID -19 and is now on track to be completed by Q2 FY-2021/2022.</p>
<p>KEY PROGRAMME STRATEGIES 2021/22 (Aimed at improving programme performance)</p>	
<p>Spectrum Management System: The Commission plans to purchase Spectrum Management System, this year, to update the current system. This will provide a more modern and efficient spectrum analyzing and licensing system to meet demands daily. This project was broad forward FY 2020/2021 is now scheduled to be completed by Q2 FY-2021/22.</p>	
<p>Fiber Ring: The Commission wishes to investigate and consult with the industry and present to TCIG the best-case scenarios on establishing a national fiber ring. The ring is to connect each inhabited island, in particular, the nation’s capital (Grand Turk), to solve the broadband capacity and quality of service issues, and to maintain connection in the event of a hurricane. The proposal will include options of connectivity and cost analyses for a long-term broadband solution for the Turks and Caicos Islands (TCI). This project remains an ongoing initiative for the Government and the Commission, to consult on the establishment of a National Fiber Optic Ring, which is planned for Q4 FY-2021/22</p>	
<p>Number Portability (NP): To bring value to the consumers by enabling them to move their numbers to a provider of their choice that best meets their needs. The Commission believes that the local telecommunications market could benefit from introducing NP in TCI across mobile and fixed platforms. This project is board forward from FY-2020/21 and the Commission wishes to continue efforts to conclude the implementation, which is now scheduled to commence in Q2 FY-2021/2022.</p>	
<p>Quality of Service Regulation: To consult and establish the quality of service regulation Q2 FY-2021/22</p>	
<p>Emergency Preparedness Agreement & Response Policy: This project has been board forward from FY-2020/2021, which stems from network outages that occurred following Hurricane Irma, this project is now on track to be completed by Q1 FY-2021/2022.</p>	
<p>Telecommunications Ordinance /Broadcasting Regulations: The conclusion of the Commission’s deliberations on the ongoing consultation on the potential regulation and licensing of broadcasting services, including IPTV, and issuance of a decision on the matter, and to address regulatory weaknesses and to include provisions for the licensing and regulating broadcasting services in TCI. This would enable the Commission to regulate price and content aspects of the services, if necessary, and improve accountability within the sector.</p>	
<p>Complaints: Outreach programs to deal with customers complaints Q2 2021/22</p>	
<p>Network Licensees Arrears: The continuation of the Commission’s efforts to resolved disputes relating to outstanding by licensees, to ensure all licensees are in compliant the telecommunications laws and regulations.</p>	
<p>National Spectrum Plan: Due to the advent of new and emerging technologies and services in the telecommunications sector, there is a greater need to allocate new spectrum bands to support these new innovative services and products. As such, the Commission sort to update the TCI’s National Spectrum Allocation Plan to reflect the realities of an emergent and progressive telecommunications market, to ensure that its spectrum allocation plan is consistent with current market dynamics and aligned with the latest ITU recommendations. This project is board forward from FY FY-2020/21 and the Commission wishes to continue its efforts to completed this project by Q2 FY-2021/2022.</p>	
<p>Electromagnetic Field (EMF)System: The Commission will continue with this project and planned to purchase additional EMF equipment to accommodate, the facilitated the other islands by Q4 FY-2021/2022</p>	
<p>TCI Top Level Domain .tc: Continuous efforts to resolve the matters relating to the regularization, stabilization, and ongoing administration of the TCI ccTLD, “.tc”.</p>	
<p>Maritime Ship Radio licensing : The Commission is working with the Maritime Department to ensure regulation, of ship radio. This project is scheduled for completion by Q2 FY-2021/2022</p>	

KEY PERFORMANCE INDICATORS	2019/20 Actual	2020/21 Planned		2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
Output Indicators (the quantity of output or services delivered by the programme)						
Number of consultation on telecommunications/other services initiated	2	4	4	9	6	7
Number of telecommunications licenses (e.g. Network, Spectrum or other) applications received	2	2	2	84	90	90
Number of complaint/disputes received	1	2	2	4	4	4
Number of Miscellaneous services received	60	70	70	57	60	60
Outcome Indicators (the planned or achieved outcomes or impacts of the programme and/or effectiveness in achieving programme objectives)						
% of consultations on telecommunications completed	30%	80%	80%	98%	100%	100%
% of number of telecommunications licenses Network & Spectrum approved	60%	80%	80%	88%	100%	100%
% of complaints/disputes resolved	80%	80%	80%	67%	100%	100%
% of other License applications approved	80%	80%	80%	86%	100%	100%

GOVERNMENT OF THE TURKS AND CAICOS ISLANDS
STATUTORY BODY INCOME AND EXPENDITURE DETAILED SHEET
TELECOMMUNICATIONS 2021-2022

	2019/20	2020/21		2021/22	2022/23	2023/24	
	Unaudited Actuals	Approved Budget	Revised Budget	Unaudited Actuals	Forward Estimate	Forward Estimate	Forward Estimate
Regulatory Fees	1,099,189	840,321	840,321	919,252	1,117,000	1,117,000	1,117,000
Spectrum Fees	1,059,496	1,110,210	1,110,210	1,047,750	1,060,500	1,060,500	1,060,500
Other License Fees	58,147	78,500	78,500	60,905	78,245	78,245	78,245
Miscellaneous	34,315	32,000	32,000	55,525	36,000	36,000	36,000
Interest	5,103	3,200	3,200	6,114	5,680	5,680	5,680
TOTAL INCOME	2,256,250	2,064,231	2,064,231	2,089,547	2,297,425	2,297,425	2,297,425
Salaries	473,520	714,216	714,216	618,164	723,718	755,197	778,773
Allowances	25,161	86,388	86,388	38,505	89,988	89,988	89,988
Pension and Gratuities	-	79,078	79,078	48,590	79,078	79,078	79,078
National Insurance Contributions	14,134	19,872	19,872	18,093	19,872	19,872	19,872
National Health Insurance Contributions	22,377	33,033	33,033	30,374	34,072	34,072	34,072
Employment Costs	535,192	932,587	932,587	753,726	946,728	978,207	1,001,783
Local Travel and Subsistence	4,713	7,350	4,000	1,515	8,000	8,000	8,000
International Travel and Subsistence	38,000	36,750	20,000	11,598	20,000	20,000	20,000
International Travel and Subsistence (Minister)	22,066	22,050	15,000	1,860	10,000	10,000	10,000
Utilities	31,654	34,650	34,650	31,293	33,000	33,000	33,000
Communications Expenses	34,977	34,000	34,000	28,899	34,000	34,000	34,000
Office Expenses	14,612	22,470	35,000	33,997	35,000	35,000	35,000
Rental of Assets	78,000	94,500	94,500	78,000	78,000	78,000	78,000
Maintenance Expenses	48,470	42,483	50,000	59,498	50,000	50,000	50,000
Professional and Consultancy Services	64,135	220,500	220,500	31,815	210,000	210,000	210,000
Insurance	2,549	3,255	3,255	2,166	3,000	3,000	3,000
Hosting and Entertainment	8,249	5,145	5,145	7,874	11,000	11,000	11,000
Training	37,785	36,750	50,000	47,778	48,000	48,000	48,000
Subscriptions and Contributions	13,096	7,350	7,350	9,598	10,000	10,000	10,000
Advertising & Promotions	-	8,820	8,820	1,600	4,000	10,000	4,000
Auditing and Accounting	44,338	21,000	21,000	15,000	20,000	20,000	20,000
Board Expenses	100,471	98,490	92,000	74,639	100,000	100,000	100,000
Depreciation and Amortization	44,023	63,000	63,000	33,639	63,000	63,000	63,000
Bad debt write off/increase provisions	-	-	-	5,000	-	-	-
Bank Charges	3,224	5,250	5,250	4,024	4,250	4,250	4,250
Other Operating Expenses	14,250	11,246	11,246	10,930	11,000	11,000	11,000
Operating Costs	604,612	775,059	774,716	490,722	752,250	758,250	752,250
Total Expenditure	1,139,804	1,707,646	1,707,303	1,244,448	1,698,978	1,736,457	1,754,033
Operating Surplus before Capital Projects	1,116,446	356,585	356,928	845,099	598,447	560,968	543,392
Capital Projects	65,531	143,500	143,500	105,057	160,000	-	-
Cash Funding Required to Support Operating Expenditure and Capital Projects	1,161,312	1,788,146	1,787,803	1,310,866	1,795,978	1,673,457	1,691,033
Transfer to TCIG	(500,000)	(500,000)	(500,000)		(500,000)	(500,000)	(500,000)
Surplus/Deficit after Capital Expenditure and Transfer to TCIG	594,938	(223,915)	(223,572)	778,680	1,447	123,968	106,392
Transfer from Reserve Fund to Fund Capital Expenditure		223,915	223,572				
Net Deficit/Surplus	594,938	0	0		1,447	123,968	106,392

GOVERNMENT OF THE TURKS AND CAICOS ISLANDS
 Estimate of Human Resources for April 2021 - March 2022
 TELECOMMUNICATIONS COMMISSION

	Telecommunications	2020/2021		Telecommunications	2021/2022	
		Human Resources	Payroll Cost Approved		Human Resources	Payroll Cost Estimate
	Director General	1	159,565	Director General	1	159,565
	Director Technology	1	124,105	Director Technology	1	124,105
	Attorney	1	80,000	Attorney	1	84,000
	Finance Manager	1	70,000	Finance Manager	1	73,500
	Manager Operations	1	67,198	Manager Operations	1	70,558
	Telecommunications Engineer	1	60,000	Telecommunications Engineer	1	45,000
	Administrative Officer	1	56,214	Senior Accountant Officer	1	65,000
	Complaints Officer	1	48,567	Complaints Officer	1	50,995
	Commissioner Assistant/Secretary	1	48,567	Commissioner Assistant/Secretary	1	50,995
	Salary Staff	9	714,216		9	723,718
	Waged Staff	0	-		0	-
		9	714,216		9	723,718

GOVERNMENT OF THE TURKS AND CAICOS ISLANDS
TELECOMMUNICATIONS COMMISSION
CAPITAL PROJECTS ' 2021-2022

Project Number	Funding Source	Project Title	Cost	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
2001	TCITC	Furniture & Equipment	5,000	5,000	-	-
2002	TCITC	Equipment	-	-	-	-
2003	TCITC	Computer Software & Hardware	70,000	70,000	-	-
2004	TCITC	Motor Vehicle	80,000	80,000	-	-
2005	TCITC	Leasehold Improvement	5,000	5,000	-	-
2006	TCITC	Land & Building		-		
Total Telecommunications			160,000	160,000	-	-