



**OFFICE of the
REGULATOR**

Office of the Regulator

ANNUAL REPORT

For the Financial Year Ended 30th June 2020



**OFFICE of the
REGULATOR**

*Please address all correspondence to the
Regulator
Private Bag, Apia, Samoa*

Tel: +685 30282
Fax: +685 30281
Email: admin@regulator.gov.ws

4th February 2021

Hon. Afamasaga Lepuiai Rico Tupai
Minister of Communications and Information Technology
FMFMII Building
Apia

Dear Honourable Minister,

Annual Report for year ended 30 June 2020

In accordance with subsection 9(12) of the Telecommunications Act 2005 as amended (“Act”), the Office of the Regulator hereby submits its Annual Report for the year ended 30 June 2020.

The report provides a summary of the activities undertaken by the Office of the Regulator during the 2019/2020 financial year, details of expenditures and revenues, as well as other details that ought to be included, as per subsection 9(12).

Please do not hesitate to contact us should any further information be required.

Respectfully,

Lematua Gisa Fuatai Purcell
Regulator

TABLE OF CONTENTS

TABLE OF CONTENTS

1.	EXECUTIVE SUMMARY	1
2.	CORPORATE SERVICES	4
2.1.	Staffing	4
2.2.	Resignations	4
2.3.	New Appointments.....	5
2.4.	Organisational Structure.....	5
2.5.	Institutional Strengthening	5
2.5.1.	Assistance.....	5
2.5.2.	Capacity Building.....	6
2.5.3.	Continuous Education	6
2.6.	Public Interaction & Awareness.....	6
3.	ELECTRICITY DIVISION	7
	TARIFF SETTING	7
4.	LEGAL DIVISION	8
5.	REGULATORY & CONSUMER SERVICES	10
1.1.	Convergence.....	10
1.2.	Consumer Protection	10
1.3.	Effective Competition	11
1.4.	Availability of and Access to Services.....	12
1.5.	Retail Tariffs and Pricing	12
1.6.	Industry Development	12
1.6.1.	Applications for Services License	12
6.	SPECTRUM & TECHNICAL SERVICES	13
7.	FINANCIAL REVIEW	18
2.1.	Budget	18
2.2.	Revenue.....	18
2.2.1.	Government Grant.....	18
2.2.2.	Telecommunications Licence Fees.....	18
2.2.3.	Radio Spectrum Fees.....	18
2.2.4.	Broadcasting License Fees	18
2.2.5.	Electricity License Fees.....	19
2.3.	Expenditure	19
2.3.1.	Payment to Government.....	19
2.4.	Audited Financial Statements.....	20

TABLE OF CONTENTS

Appendix A: Register of Telecommunications Licensees

Appendix B: Register of Radio Spectrum Licensees

Appendix C: Audited Financial Statements

EXECUTIVE SUMMARY

1. EXECUTIVE SUMMARY

This Annual Report (“AR”) for the Office of the Regulator (“OOTR”) for the year ended 30 June 2020 (“FY2019/2020”) reflects continuous initiatives and growing roles and responsibilities based on the Work Plan, Corporate Plan of the Office and rising priorities as seen fit by the Regulator to improve the regulation of the Telecommunication, Broadcasting, Electricity and Postal Services sectors as mandated by Legislation for OOTR to implement.

As such this Executive Summary highlights the Accomplishments and Challenges throughout FY2019/2020.

Accomplishments

The following provides a summary of the Office of the Regulator’s Accomplishments throughout the financial year:

- The launch of the Digital TV project in October 2019 and by the end of FY2019/2020, coverage has been recorded at 85% with the expectation that the remaining areas will be covered in the new financial year; initially the completion date targeted April 2020 however due to weather setbacks and the COVID-19 pandemic lockdown the targeted date had to be re-scheduled.
- The reduction in the electricity tariff as reflected by the Stimulus Package offered by the Government of Samoa to sustain the economy during the State of Emergency for COVID-19.
- In a competitive environment, OOTR continues to conduct tariff reviews of regulated telecommunication services offered by dominant service providers in the relevant markets. OOTR received six tariff applications and 50 promotional tariff applications within the reporting period from service providers. However, with the Measles outbreak in November 2019 and currently with the Covid 19 pandemic, Samoa declared state of national emergency in both occasions and the Order of the Regulator 2018/T50 came into immediate effect whereby service providers during an SOE is not required to file tariffs to the Regulator prior approval. In light of the Digital TV project, OOTR developed a cost model which enables the Regulator to undertake cost analysis to set digital tariffs for digital platform services. The launch and implementation of the Promotion Pilot (6 months), allowing service providers to innovate and to complete robustly without the requirement to submit promotions for OOTR prior to approval.
- The launch and implementation of the Promotion Pilot (6 months), allowing service providers to innovate and to compete robustly without the requirement to submit promotions for OOTR prior approval.
- OOTR is pleased to report that there continues to be no appeals of Regulator’s Order to the Tribunal for intervention; it is to some extent a reflection of a well-regulated sector.

EXECUTIVE SUMMARY

- During the year the Office of the Regulator collected and transferred \$3,979,426 to the Ministry of Finance which is below projected revenue of \$5,486,188 for this financial year.

Challenges

Some of the Challenges faced throughout the year include:

- The measles outbreak re-set OOTR priorities so to cater for health and safety measures not only for individual staff but nationally;
- The COVID-19 pandemic came with a series of demands from both the public and private sector, in order to ensure continuity of businesses and social affairs in preparation, response and recovery phases with regards to the pandemic.
- The destruction of the OOTR building, equipment and office files. Staff faced difficulties adjusting to a new working environment, rebuilding information and not having sufficient equipment to carry out some of their monitoring functions. Staff also lost personal belongings including cars, phones and passports. However despite the cocktail of difficulties, staff were willing to work together to keep up with the demands from the service providers and the public; in addition to reporting obligations to Parliament, Cabinet and the Public Sector.
- The resignation of 2 out of 5 Officers from the 1st and 2nd tier level – affecting the smooth operation and implementation of OOTR’s functions, powers, responsibilities and duties.
- Identity Ambiguity- the OOTR continue to face the challenge of being neither Ministry nor a State Owned Enterprise; which amongst other things invokes third party reporting requirements.

Corporate Services Division

The Corporate Services Division (“CSD”) in the OOTR combines and consolidates all support activities that are required within the organization. These include finance, administration, human resource management, asset management and development activities. The CSD also continues to coordinate and oversee the establishment of internal policies in an effort to improve working conditions for staff.

Electricity Division

The Electricity Division (“ED”) continues to develop policies, assess licence applications rules, standards and regulations for the regulation of the electricity sector. The ED constantly monitors energy charges for electricity tariffs every month; and advises the Regulator on new Sector developments for efficient and effective regulation of electricity matters.

Legal Division

EXECUTIVE SUMMARY

The Legal Division (“LD”) has been engaged in several projects including those that are Legislative in nature, such as working closely with the Samoa Law Reform Commission (“SLRC”) and the Office of the Attorney General (“OAG”) in drafting new amendments to current Acts and the development of new Bills to effectively regulate the sectors. LD continues to advise the Regulator in relation to the enforcement of Legislation relative to the regulated sector; and also works with the community in the performance of awareness campaigns to various communities, for this FY2019/2020 the focus was of the campaigns was on parents; unfortunately the measles outbreak in Samoa and COVID-19 pandemic caused the campaign to come to a halt predominantly because of health and safety reasons.

Regulatory & Consumer Services Division

The Regulatory & Consumer Services Division (“R&CSD”) executed the Pilot Promotion Scheme, conducted monitoring of all regulated services in relevant markets to establish effective competition in the market, finalization and submission of indicators to World Bank as part of the Samoa Connectivity Project, observing of the Order of the Regulator in regards to implementation of tariffs during SOE periods and monitoring of coverage and quality of service. Additional key priorities include the carrying out of tasks in relation to the cost model component of the WB project which is now on hold due to budget uncertainty and the global pandemic Covid-19. Furthermore, Regulatory continues to handle consumer complaints and service provider disputes by conducting investigations on critical issues raised and issuance of Determination and decision of Regulator in accordance with the current regulatory framework.

Spectrum Management & Technical Division

The Spectrum Management and Technical Division (“SM&TD”) role and responsibilities continue to increase due to the rapid changes of technology in the telecommunications and broadcasting market in Samoa and Worldwide. SM&TD is focusing on capacity building to counter the fast growth of technology globally. Digital broadcasting is one major transition that we are working on to ensure the successful completion of the project. FY2019/2020 sees SM&D engaging in on going monitoring, consultations with service providers and awareness particularly with regards to the Digital TV Project.

Financial Review

As at 30 June 2020, OOTR recorded total revenue of \$1,986,134 and had incurred expenses of \$2,328,745 and therefore realized a net loss of \$342,611. However, revenue recorded excludes license fees revenue of \$3,979,426 which was off-set by payment to government expenditure for the same amount.

The Office operated on an approved budget of \$1,947,138 and was able to collect and transfer \$3,979,426 revenue to the Ministry of Finance in the current financial year.

CORPORATE DIVISION

2. CORPORATE SERVICES

The Corporate Services Division in the Office of the Regulator combines and consolidates all support activities that are required within the organization. These include finance, administration, human resource management, asset management and development activities.

2.1. Staffing

The staff of the Office of the Regulator comprised of the following twenty (20) personnel as at 30th of June 2020:

1. Regulator: Lefaoalii Unutoa Auelua-Fonoti
2. ACEO-Corporate Services: Faalelei Sua
3. ACEO-Electricity Sector Supervision: Perelini Lameko-Masoe
4. ACEO-Legal Division: Fesolai Cecily Faasau-Iakopo
5. ACEO-Regulatory & Consumer Services: Venus Sianini Iosefa-Salanoa
6. ACEO-Spectrum Management & Technical Services: Leasoiloafaleupolu Ronnie Aiolupotea
7. Principal Spectrum & Technical Analyst: Tuuaga Aviata
8. Principal Spectrum & Technical Officer: Moepogai Seumanutafa
9. Principal Consumer Affairs Analyst: Vanessa Tanuvasa-Pelenato
10. Principal Regulatory Specialist (Electricity): Peti Farani
11. Principal Legal Officer: Angeline Seiuli
12. Principal Legal Officer (Electricity): Vacant
13. Principal Electricity Sector Specialist: Su'a Aulaga Faumuina
14. Principal Power Economic & Financial Officer: Temukisa Ray Tuilaepa
15. Principal Administration/Human Resource Officer: Lotu Latai
16. Senior IT Officer: Alexander Ah Poe
17. Senior Accounting Officer: Etenauga Tanielu-Toimoana
18. Principal Spectrum Management System Officer: Theresa Palale
19. Administration Officer: Felicity Tilialo
20. Executive Assistant: Fialupe Ueese
21. Transport Officer: Pio Bell
22. Night-watchman: Poleka Siaoloa
23. Engineering Officer: Ting Ting Yu

2.2. Resignations

The following staff members resigned from the Office of the Regulator during the period:

- Ms Lefaoalii Unutoa Auelua-Fonoti resigned from the position of Regulator effective 27th May 2020
- Mr Leasoiloafaleupolu Ronnie Aiolupotea resigned from the position of ACEO Spectrum Management & Technical Services effective 28th February 2020

The OOTR acknowledges with great appreciation the work carried out by our former staff members.

CORPORATE DIVISION

2.3. New Appointments

The following appointments were made during the period under review:

- Ms Peti Farani– appointed to the position of Principal Regulatory Specialist (Electricity) effective 19th August 2019
- Miss Ting Ting Yu– appointed/promoted to the position of Engineering Officer effective 2nd August 2019 was a part timer.

2.4. Organisational Structure

During this financial year, the Public Service Commission endorsed the following changes to the Office of the Regulator’s Organisational Restructure:

- Approve - establishment of Principal Accountant position
- Approve - establishment of Engineering Officer (Spectrum) position

The approved Organisational Structure is reflected in **Fig 2.1** below and has been updated to reflect all current positions as at 30th June 2020.

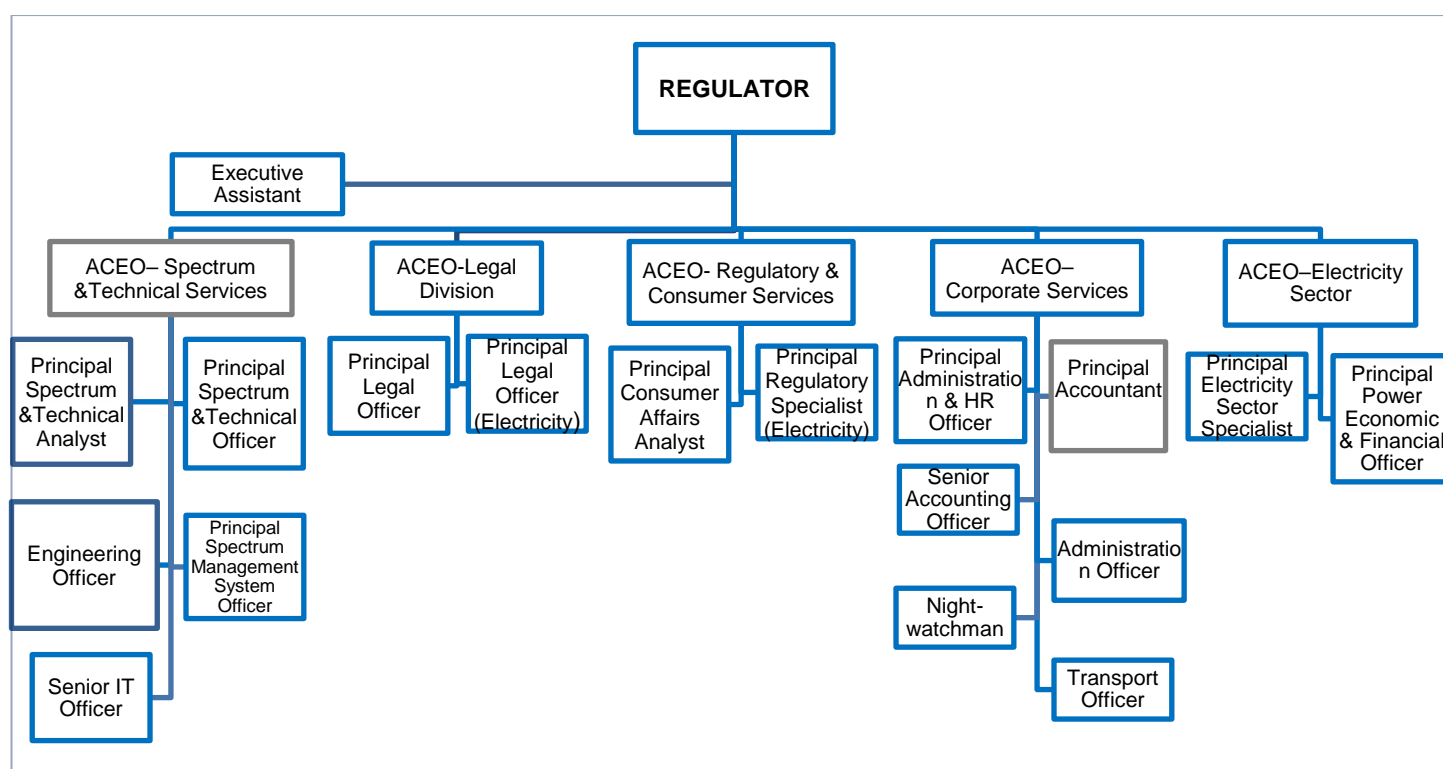


Fig 2.1 Organisational Structure of the Office of the Regulator at 30 June 2020

2.5. Institutional Strengthening

The Office of the Regulator continues to seek funding for Institutional Strengthening and Capacity Building.

2.5.1. Assistance

To ensure that the Office of the Regulator copes with accelerated changes occurring in the Samoan ICT sector; Aid by the World Bank under the Samoa Connectivity Project

CORPORATE DIVISION

(“Project”) continued to provide much needed Technical Assistance and training as well as specialised equipment.

2.5.2. Capacity Building

Training opportunities were provided through the International Telecommunications Union (“ITU”); World Bank Aid (Connectivity Project); the Asia Pacific Telecommunity (“APT”); United Nations–Department of Economic and Social Affairs (“UN-DESA”); Commonwealth Telecommunications Organisation (“CTO”); Asia Pacific Energy Regulatory (“APER”); Asian Development Bank (“ADB”) and the Pacific ICT Regulatory Resource Centre (“PIRRC”).

Since March 2020 due to the COVID 19 pandemic there have been no overseas training attended by any staff. Some overseas courses were offered online. Local training being offered were subject to SOE restrictions and have restarted in the new financial year.

Overseas training that different staff attended during the current financial year: 25
Online Training Programs during the year: 6
Local training based on relevance to job description: 8

2.5.3. Continuous Education

- Vanessa Tanuvasa-Pelenato graduated with her Masters of Government Law & Regulatory Practice from Australia in December 2019.

2.6. Public Interaction & Awareness

The Office continues to focus on upgrading interaction with the public through an improved website and making its process of public consultation and internal processes more interactive and consumer friendly.

ELECTRICITY DIVISION

3. ELECTRICITY DIVISION

TARIFF SETTING

Pursuant to Part IV Sections 19, 20 and 21 of the Electricity Act 2010 ('Act'), the Regulator is responsible for setting, changing and reviewing all tariffs charged by electricity licensees in Samoa.

The structure of the electricity tariff consists of three components namely; Debt Charge, Usage Charge and Energy Charge.

As the Global Pandemic effect of COVID-19 has had a negative impact in our local economy, the Electric Power Corporation proposed a Stimulus Package approved by the Office of the Regulator and endorsed by the Samoa Government became effective April 2020 to give some relief for the electricity sector.

- a. \$0.07 sene Debt charge component was deducted.
- b. \$0.03 sene was deducted from Usage Charge component for all consumers.
- c. The 100 largest consumers paying Daily fixed rate and variable rate were given 50% discount to the current Daily Fixed rate.

Table: End-user tariffs FY2018/2019 compared to FY2019/2020

CATEGORIES	FY 2018/19	FY 2019/20
DOMESTIC	kWh/\$sene	kWh/\$sene
Induction Meters		
All units	0.72	0.65
Cash Power Meters		
1 - 100	0.58	0.51
101 and above	0.72	0.65
NON DOMESTIC		
Induction Meters		
All units	0.77	0.70
Cash Power Meters		
All units	0.72	0.65

Overall the Stimulus package has resulted in a positive decrease in the end user tariff for all consumers. This reflects the ongoing review of Electric Power Corporation key performance measures and service standards. It also shows the positive outcomes of government long-term investments in EPC's network and infrastructure and ensuring the affordability of this public service to the people of Samoa.

The Regulator monitors the energy charge on a monthly basis. Since the declaration of Samoa's State of Emergency in April 2020, OOTR issued Order No.2020/E73 to ensure there is no more increase in end tariffs to ensure the Stimulus Package would have its positive impact in the economy not only for the domestic users but also businesses that have been affected by the pandemic.

4. LEGAL DIVISION

LEGAL DIVISION

This part of the Annual Report provides a brief overview of the Legal Division’s (“Legal”) work for the period as of 1 July 2019 – 30 June 2020 (FY2019/2020).

During this period, the Legal provided various legal advices, prepared and reviewed legal instruments (including but not limited to legislation, orders and licences).

A. ADVICES

Within FY2019/2020, Legal provided up to 70 advices including the following major advices:

Granite Power and Electric Power Corporation (“EPC”) Dispute	Asia Pacific Telecommunity Work Programmes 2020
OOTR Insurance (Office, Equipment & Vehicles)	Member Survey: Commonwealth ICT Ministers Forum 2020
Interconnection & Cost model	CTO Cybersecurity Survey
Spectrum Request	Fair Broadcasting and Reporting
Type Approval Process Label Requirement (MCIL);	ITU GSR 19 Best Practice Guidelines under the theme ‘Fast Forward Digital Connectivity to All’

B. POWER PURCHASE AGREEMENT

Between Samoa Trust Estate Corporations and Electric Power Corporation (Approved).

C. AGREEMENTS

A Total of 3 contracts were executed in FY2019/2020 (Procurement of Server and 2 Variation for the Digital TV Project).

D. BILLS, REGULATIONS, RULES,

- Telecommunications Amendment Act 2020; and
- Broadcasting (Standards and Policy, Licence Categories and Conditions) Rules 2019.

E. ORDERS

The following Orders were issued in the FY2019/2020 in relation to the regulation of all the sectors under the jurisdiction of the Regulator:

1. Electricity Sector

- A total of 6 Electricity Orders were issued within FY2019/2020:

No. 2020/E69	No. 2020/E71	No. 2020/E73
No. 2020/E70	No. 2020/E72	No. 2020/E74

2. Telecommunications & Broadcasting Sector

- A total of 12 Telecommunications Orders were issued within FY2019/2020:

No. 2019/T77	No. 2019/T80	No. 2019/T83	No. 2020/T02
No. 2019/T78	No. 2019/T81	No. 2019/T84	No. 2020/T03
No. 2019/T79	No. 2019/T82	No. 2020/T01	No. 2020/T04

F. STAFF DEVELOPMENT AND TRAININGS

Legal took part in 11 trainings; 6 overseas and 5 virtual.

G. PROJECTS

The following Projects were implemented or developed under the care of Legal within FY2019/2020:

OOTR Legislative Review and Reform Project.	APT Pilot Project on ICT.
OOTR Broadcasting Regime.	Online Safety Awareness Campaign.

H. PROPOSALS

The following Proposals were implemented or developed under the care of Legal within FY2019/2020:

OOTR Identity Crisis, New Governance Structure Proposal.	Cyber Cooperation Grant Proposal – Australia.
--	---

5. REGULATORY & CONSUMER SERVICES

Regulatory and Consumer Affairs Division undertakes the regulatory oversight, market analysis and consumer affairs functions in telecommunications, broadcasting, electricity and postal. The responsibilities of the division include overseeing licensee compliance, market monitoring, managing issues arising from anti-competitive behaviour, price regulation, access and interconnection, consumer complaint resolution, quality of service and universal access.

Activities for the division during the reported period focussed primarily on the following aspects of the regulatory framework:

- a. Convergence - To review all ICT licences to ensure that they reflect pro-convergence principles
- b. Consumer Protection - To ensure that disputes between service providers and consumer complaints are addressed transparently, fairly and in an efficient manner
- c. Effective competition - To institute market monitoring for anti-competitive behaviour
- d. Availability of and Access to services – (i) to facilitate network coverage and services extension. (ii) To review price levels and price regulation and the operation of markets in driving prices lower
- e. Industry Development - To ensure that the development of regulated sectors must comply with the established criteria for the grant of services license

1.1. Convergence

Final Licensing Rules and New Telecommunication License Fee Regulations 2018 are now available on our website. The Rule is now in force and implementation action is underway through an awareness campaign. Continuous monitoring of licensees and its activities for compliance per license requirements

1.2. Consumer Protection

During the period under review, OOTR received 18 complaints from customers and the competing service providers. The complaints from customers ranged from: billing systems, credits losses when top up; poor internet coverage and internet charges;

The complaints against the competing providers mostly ranged from false and misleading advertising; abuse of dominance; misleading marketing campaign and free claims promotions.

The regulatory process was premised on the functions and powers of the Regulator, the objectives of the Telecommunication Act 2005 and Broadcasting Act 2010 (“the Act”) and principles of natural justice and fair process are to be administered. All the complaints have been resolved by the Regulator in accordance with the legislative framework of the Office of the Regulator.

REGULATORY & CONSUMER SERVICES

The Telecommunications (Customer Protection) Rules 2017 (“the Rules”) is in force and implementation is underway through an awareness campaign.

The table below provides a summary of complaints received and dealt by OOTR

	1 st Quarter (Jul-Sept 19)	2 nd Quarter (Oct – Dec 19)	3 rd Quarter (Jan – Mar 20)	4 th Quarter (Apr – Jun 20)
Official Customer Complaints	Digicel billing system (1)	Internet charges; Poor mobile coverage (4)		
Service Provider Complaints	Co-location issue (1)		Internet coverage; Market surveys; Promotions and Advertisements (7)	Sim-swapping; Abuse of dominance; Misleading telemarketing campaign; Claim of free benefits – Free Unlimited Data; \$100,000 all cash promotion (5)

1.3. Effective Competition

The reporting period saw the observance for SOE on the account of the Measles epidemic in the month of November to December and subsequently for the COVID-19 pandemic since early March of 2020. No effect on the telecom services or in the ICT sector. New sanctions implemented for a pilot period of 6 months commencing April on the telecom market for promotions to require no formal approval from the Regulator but just a notification on the details of promotions. Regulatory continues to regularly monitor for dominance abuse and anticompetitive behaviour in the market.

In addition, the tariff approval process per order of Regulator 2018/T50 whereby under any declared national emergency provides service providers are not required to file for an approval from the Regulator but a notification of the proposed tariffs would suffice. The tariffs remain effective only in the period of the SOE until lifted and then they are required to resubmit these tariff applications for approval as these will become valid for a period of 12 months.

REGULATORY & CONSUMER SERVICES

In June, OOTR undertook a wide-consultative approach with the industry for monitoring of mobile, 2AP radio and Digital TV coverages on the east side of Upolu as well as the full coverage of Savaii. The approach saw an opportunity for OOTR and service providers to work together to facilitate colocation negotiations on areas where coverage of either service provider is poor. From observation a lot has been improved in terms of coverage and service since this collaboration and according to positive feedback from all service providers.

1.4. Availability of and Access to Services

OOTR and service providers took a co-operative approach in trying to improve service and coverage across Samoa using various means. The ICT coverage has been improved during this reporting period compared to the last financial year. This is evident with the nature of and frequency of complaints received in the period from customers.

The OOTR continues to monitor the ICT coverage taking into consideration the commissioning of the Tui Samoa Cable.

The Digital TV services and coverage is progressing well with coverage now to 99% of Samoa. Citizens commend on the roll out and inclusivity of citizens who never before seen a television broadcast and praised the Government for the wonderful and great initiative and appreciates all the hard work put into this project by all stakeholders involved.

1.5. Retail Tariffs and Pricing

For the year in review, OOTR received fifty (50) promotions applications. Of the fifty (50) applications, forty two (42) were approved on favourable assessments. Digicel to hold 19% of promotions in the market while Vodafone for 81%. Furthermore, OOTR received twelve (12) short code applications. Of the twelve (12) applications, eleven (11) were approved on favourable assessment. Digicel holds 17% and Vodafone for 83% of the short codes this year.

While under SOE, 6 in total of tariff notifications were received from Vodafone only.

1.6. Industry Development

1.6.1. Applications for Services License

OOTR received and approved the following 5 applications for ICT services during the reported period:

- 1) 2, Taxi Stands (Spectrum License (Land Mobile))
- 2) 1, Samoa Digital Communication Ltd (Internet Service Provider License)
- 3) 1, Society International Telecommunications Aeronautics, NGO (Spectrum License)
- 4) 1, Samoa Media Services (Radio)

Applications have been approved by the Regulator within a specified timeframe and requirements under OOTR Evaluation Criterion for Services License.

Evaluations and recommendations of all applications are now made within two (2) weeks of any application. Incomplete applications are rejected and the process restarted.

6. SPECTRUM & TECHNICAL SERVICES

In this year's annual report, the Technical Division will report on all technical resources under the Spectrum management and technical division pertaining to the IT unit and engineering unit, to address needs such as managerial capacity and sharing ideas to promote services for internal but more importantly the OOTR's external stakeholders, and services corresponding to the spectrum in terms of planning, implementation and monitoring.

It is important to note that because of the fire which engulfed the OOTR building on the 16th April 2020, the Technical team lost an approximate of 90% of assets pertaining to the Division including Local Area Network (LAN), tools, information systems (ASMS) and data for licensing and monitoring.

1) Spectrum Management

The financial year 2019/2020 noted an increase in the demand of spectrum utilization compared to previous years, especially in the areas of mobile broadband and fixed wireless access services. This concurs with the world's usage of spectrum and how the increase in demand is making it a scarcer commodity. This year was marked as a very important for holding the World Radiocommunication Conference 19 (WRC19) meeting on spectrum matters which brought together technology companies, satellite companies, spectrum organisations including Regulator and relevant government agencies from all over the world. Samoa was fortunate to attend the WRC19 at Sharm el-Sheikh in Egypt. A detailed summary of matters discussed at this Conference are presented in the WRC19 section 3.

a) Spectrum Licensing

These spectrum licensing were issued based on successful satisfaction of all the criteria needed on application submitted for frequencies. Types of radio spectrum licence issued include:

- Amateur
- Land Mobile
- Fixed Link
- Broadcasting FM
- Broadcasting TV
- Ship Station
- Aeronautical Station
- Satellite Earth Station (SES) TX/RX
- SES RX only
- WiMAX Broadband
- WiFi Broadband
- GSM 900
- LTE (700, 1800 & 2100)
- Maritime Coast Station
- Unmanned Aerial Vehicle (UAV)

Due to the State of Emergency (SOE) in place in response to the COVID-19 situation, internet access became the most feasible and most demanded means of integral communications for services such as e-education, virtual meetings, e-agriculture, e-payments and so forth. To assist our Telecommunications service providers OOTR assigned temporary spectrum from the LTE1800 bands to Digicel

SPECTRUM & TECHNICAL SERVICES

Samoa Limited and Vodafone Samoa Limited (at that time Bluesky Samoa Limited) to counter the high usage of mobile broadband services. These allocations should be returned to the spectrum pool depending on the period of the SOE. OOTR also encouraged the use of LTE2100 spectrum as approved.

b) Spectrum Monitoring (Telecom & Broadcasting Coverage Site Visit2)

The team conducted spectrum monitoring for the year 2019/2020 during the sector site. The monitoring task was conducted using the Rhode and Schwarz Portable Receiver (R&S) PR100 Unit due to the unavailability of the Spectrum Management System Vehicle. The (R&S) PR100 unit is a certified Monitoring equipment and recently upgraded with advanced features equipped with the latest technologies to capture the signal strength readings for the Spectrum.

This exercise enables the Technical team to plan and manage the spectrum for improvement of mobile broadband and fixed wireless access coverage. It also guarantees the availability of frequencies for future application

With the transition of broadcasting services from analog to digital terrestrial TV there has been a significant increase in signal coverage. At the end of this financial year, the Digital TV coverage stands at 85% with only a few sites to be made live such as; Uafato, Saletele ma Sauago, Samamea, Vaisala/Auala, Tufutafoe, Taga (Mt. Olomanu). Radio services seem to be doing well with additional Radio stations implemented.

In terms of broadband services, this exercise showed an improvement on the Mobile service especially 3G services upgrading to LTE & LTE-Advanced services and the significant increase in the number of sites. Furthermore, the mobile coverage access to villages that was recorded from the previous monitoring have been installed and implemented within the financial year 19/20.

Therefore the monitoring for the financial year 19/20 depicted an improvement in the mobile broadband and fixed wireless access services as well as television broadcasting services.

c) Frequency Spectrum Audit

The frequency spectrum is a limited resource and with the continuous growth of wireless technologies as part of the move towards the digitalization, effective and efficient utilization of these resources are crucial. OOTR concurs with the need to conduct these analyses and its high priority to collect data for efficient spectrum planning. The tasks also inspect and verifies on frequencies being used by the licensees and assist with collection of spectrum fees.

d) Interferences

Interferences stands as a critical issue, therefore demanding immediate response from the Technical division to resolve issues as soon as they are reported to OOTR. There was only one interference from outside sources reported for the FY19/20. There were minor incidents brought to our attention, however these were solved through maintenance and re-checking of the licensee's systems.

2) Number Management

SPECTRUM & TECHNICAL SERVICES

The Spectrum Management and Technical Division is also responsible for implementing the Samoa National Numbering Plan. The team allocates and closely monitors the use of numbers in collaboration with the service providers for efficient management of the numbering plan. This financial year recorded additional approval for 3 number blocks to both Telecom service providers. Furthermore, short codes were also approved for various promotions. Overall, management of numbers is an ongoing development and the numbering audit is conducted every financial year.

3) WRC-19

The Samoan delegates lead by the Honourable Minister of ICT attended the World Radiocommunications Conference 19 at Sharm el-Sheikh in Egypt. The major delegates include the Regulator and Principal staff of the OOTR, accompanied by the CEO of MCIT. As the officially recognised administration of Samoa for radiocommunications, OOTR presented the following contributions in the Conference:

- PROPOSALS FOR THE WORK OF THE CONFERENCE on Agenda ítem 1.10
- PROPOSALS FOR THE WORK OF THE CONFERENCE on Agenda ítem 1.13
- PROPOSALS FOR THE WORK OF THE CONFERENCE on Agenda ítem 1.14
- PROPOSALS FOR THE WORK OF THE CONFERENCE on Agenda ítem 1.5
- PROPOSALS FOR THE WORK OF THE CONFERENCE on Agenda ítem 9.1 (Issue 9.1.7)

WRC-19 provided the platform for Samoa to voice our concerns and inputs on the ongoing discussion centered around IMT2020 with respect to the bands of interest, technology specifications and requirements, protection of adjacent services from possible interference, and other relevant reports. The Conference was conducted over the course of one month, and concluded in late November.

4) Type Approval

Type approval is a very important part of the Spectrum Management and Technical Services in Samoa. It is a process in which all radio equipment are assessed for compliance to international standards which Samoa is adapting and authorised to use in accordance to Sections 8 & 23 of the Telecommunication Act 2005 and Type approval Rules 2018. Examples include but not limited to mobile phones, laptops, wireless keyboard and mouse, short range radar systems, vehicle keyless entry system, Wi-Fi and Bluetooth modules, vehicle navigation system, FM/AM modulators and receivers, and Bluetooth headphones. Applications are received from both international and national applicants. For the FY19/20, OOTR issued a total of 75 type approval certificates.

5) Connectivity Project

OOTR continued to seek and explore opportunities to connect remote communities in Samoa. VSAT project is one of the initiatives under the ITU where Samoa sought assistance through OOTR to promote education in the rural communities. Officially launched in the financial year FY18/19, the Technical team is tasked to lead the project and ensure its sustainability by exploring possible avenues which the satellites services can be incorporated with. In January OOTR received a test Ka-band satellite dish from Kacific to test the transition of the Ku-band to the Ka-band. However this was dismantle from the test site at Malua and sent over to American Samoa to assist their network as per directive from the Honorable Minister. In June 2020, OOTR received 5 Ka-Band satellite dishes from Kacific and ITU after the successful testing, to replace the existing 5 Ku-Band satellite

SPECTRUM & TECHNICAL SERVICES

dishes as per agreement. Virtual meetings with the ITU team have been conducted, and ongoing discussions are held to maintain and manage the connectivity project.

6) National Emergency Telecommunications Plan (NETP)

On the 18th March 2020, the Cabinet of Samoa approved the NETP and National Emergency Telecommunications Operations Plan (NETOP) documents finalizing the fifth review of the National Emergency Telecommunications Plan. With its approval of the two documents, Cabinet endorsed the recommendation in the NETP for the development of the National Emergency Telecommunications Coordination's Committee (NETCC). Telecommunications and broadcastings services are used in preparation for and will activate and utilized at full capacity during and after a natural disaster strikes. A new tool included in this review is the Digital TV which delivers awareness programs on preparedness and response to different types of natural disaster. The NETP will be reviewed in the next five years with the NETOP reviewed on an annual basis.

7) Digital TV Project

The Digital TV Project Phase 1 was completed and launched in October, 2019. The Phase 1 covered 75% of the country, with Phase 2 and Phase 3 to be completed in the financial year 2020 to 2021 and reaching 100% coverage. The project provided a much-needed coverage for television services and naturally elevates access to a variety of programs.

The OOTR also executed regular public awareness on the television, social media platform and in person presentations. Two teams created to carry out presentation on the DTTV set-up in all the villages where the ACEO of Technical Team led the Upolu team and CEO led the Savaii team. This was proven fruitful, with the fast response from our people to the switch over from analog to digital.

8) Girls in ICT

The International Telecommunications Union together with OOTR planned to celebrate the International Girls in ICT Day 2020 in Samoa on the 23rd of April 2020. A coding competition for the college girls was carried out for a period of 6 weeks prior to the event. The international and local celebration was postponed due to the COVID-19 Pandemic, prompting the Samoa SOE and closing borders. With the postponement the ITU hosted an online dialogue on Girls in ICT: Inspiring the Next Generation where the Acting Regulator participated as the Samoa representative on the panel discussions on April 23rd.

9) Samoa Internet Exchange Point (IXP) Policy

The Technical team implemented the review of the SIXP policy in this fiscal year since its implementation in 2014. Virtual meetings with our supporting partners – the ITU and APNIC – were conducted and a work-plan with timeframe was put in place. As per usual OOTR procedure, the stakeholders were consulted when the SIXP drafted policy was circulated to them for their valuable inputs. The stakeholders include Digicel Samoa Limited, Vodafone Samoa Limited, Computer Services Limited (CSL), Lesa's Telephone Services, NetVo Samoa Limited, Samoa Digital Communications Limited (SDCL) and the Ministry of Communications and Information Technology (MCIT). A copy of the policy was also shared with our ITU team to consider when assisting our administration in the next phases of this project.

As the MCIT is the policy arm of this sector, the SIXP policy project was transitioned over to the Ministry of ICT to lead as per instructions from the Hon. Minister of ICT. Comments from our stakeholders on the drafted policy were then relayed to the Ministry.

SPECTRUM & TECHNICAL SERVICES

10) IT Services

Services under this unit requires that staff Desktop PCs and Laptops, File Server, Print Server, Email Server, Firewall, Antivirus, Windows Update, MYOB, other databases are well maintained. Due to the fire incident, OOTR procured new office resources and tools before the end of the FY19/20 to enable the staff to continue with our normal workload at the new temporary office. These tools include but not limited to new desktop PC, laptops, printer, router and server.

All emails are stored online using Microsoft Office 365 cloud services. Due to insufficient funds at the time to buy a new hardware and software, online services the next best alternative. It is a very robust solution for emails to in terms of security and efficiency of access.

7. FINANCIAL REVIEW

As at 30 June 2020, OOTR recorded total revenue in the amount of \$1,986,134 and had incurred expenses of \$2,328,745 and therefore realised a net loss of (\$342,611).

Revenue recorded excludes \$3,979,426 revenue for license fees which is off-set by payment to government expenditure for the same amount (paid to the Ministry of Finance).

2.1. Budget

Government initially approved a budget of \$1,995,303 expenditure and \$5,350,630 revenue for the period July 2019 to June 2020. An additional supplementary budget of \$23,124 expenditure was also approved by government to fund Cost of Living Adjustment ('COLA') salary increases for the year. In its second supplementary budget, Government also endorsed an additional \$2,500,000 revenue to be collected by the Office of the Regulator.

2.2. Revenue

Revenue recorded by the Office of the Regulator in the current financial year comprise of grants from government, telecommunications license fees, radio spectrum license fees, broadcasting license fees, electricity license fees and sponsorship.

2.2.1. Government Grant

Government grant represent OOTR's approved budget for the year transferred from the Ministry of Finance on a monthly basis for OOTR's operations.

2.2.2. Telecommunications Licence Fees

The Office issued invoices for telecommunications license fees of \$2,656,555 for the year ended 30 June 2020. Telecommunications licence fees comprise of fees payable to OOTR by licensed telecommunications services providers in accordance with the Telecommunications Licence Fee Regulations 2018.

2.2.3. Radio Spectrum Fees

The total amount invoiced as radio spectrum fees for the year was \$489,731. It comprises fees payable by licensed radio spectrum users to OOTR in accordance with the Radio Spectrum Fee Amendment Regulations 2018.

2.2.4. Broadcasting License Fees

The total amount invoiced as broadcasting license fees for the year was \$32,191. It includes fees payable to OOTR by licensed broadcasters (TV/FM/AM) in accordance with the Broadcasting (Licence Fees) Regulations 2015.

2.2.5. Electricity License Fees

The total amount invoiced as electricity license fees for the year was \$800,950. It includes fees payable to OOTR by licensees for electricity generation and electricity network services in accordance with the Electricity Fees Regulations 2017.

2.3.Expenditure

In 2019/2020, the usage of the Office’s spending was primarily limited to operating expenses.

As reflected in **Figure 7.1**, most of the Organisation’s expenses for the year, equivalent to 60% is represented by Personnel Expenses.

The 3% of professional fees expenditure represents audit fees and professional fees required for Submarine Cable Regulatory Framework, translation costs and legal fees for drafting legal documents.

The segment labelled “Other”, which accounted for approximately 20% of the total expenditure; include payments towards advertising, electricity charges, internet costs, loss on disposal of fixed assets, bank charges, subscription to publications, travel fares, training and course fees, customs duty costs and other miscellaneous operating expenses.

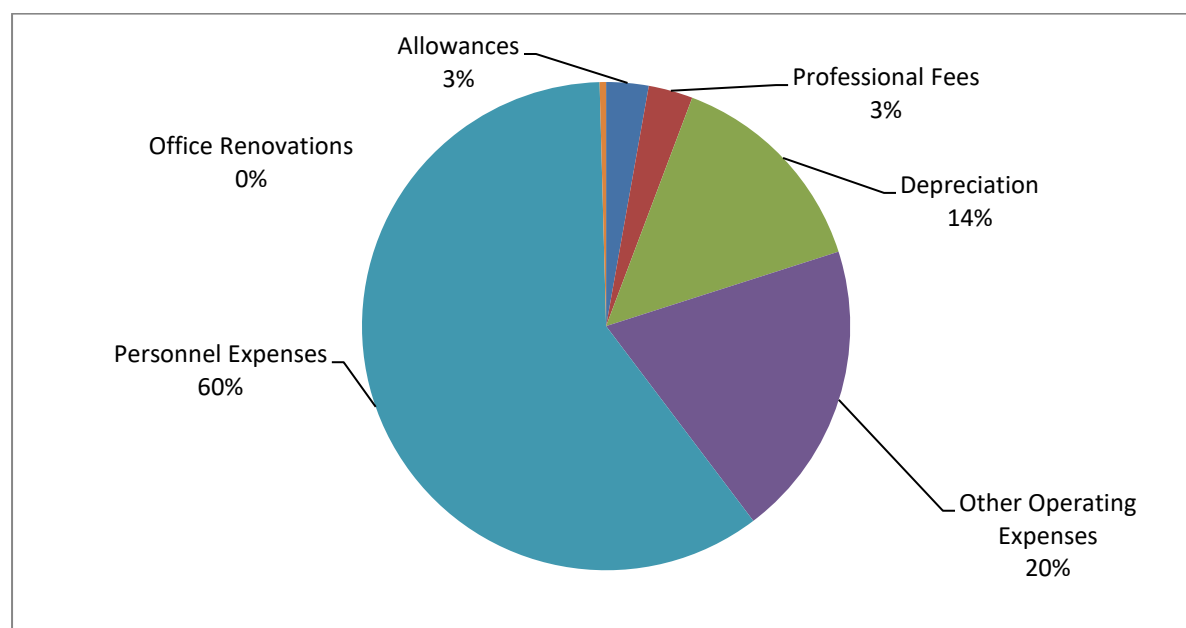


Figure 7.1: Distribution of expenses for the year ended 30 June 2020

2.3.1. Payment to Government

As mentioned above, payment to government expenditure has been off-set by license fees revenue. Payment to government is the sum of all invoices issued by the Office during the financial year and should be transferred to the Ministry of Finance (‘MOF’) once fees have been collected.

FINANCIAL REVIEW

OOTR managed to collect revenue of \$3,979,426 and forwarded this amount to MOF during the year.

2.4. Audited Financial Statements

The report of the Audit Office, Government of Samoa, is attached as Appendix C of this report.

APPENDICES

APPENDIX A

Register of Telecommunications Licensees

1.	Vodafone Samoa Limited	6.	Samoa American Samoa Cable Ltd
2.	Computer Services Limited	7.	Samoa Submarine Cable Company Ltd
3.	Digicel Samoa Ltd	8.	Samoa Digital Communications Ltd
4.	Lesas Telephone Services Co., Ltd	9.	South Pacific Broadband Co Limited
5.	NetVo Samoa Ltd		

Register of Licensees for Broadcasting

1.	Apia Broadcasting Ltd (TV)	14.	Radio Polynesia Limited (Radio)
2.	Beta Multimedia Investments Co (TV)	15.	Island Base (Radio)
3.	Catholic Media (TV)	16.	MCIT (2AP) (Radio)
4.	Digicel (Samoa) Ltd (TV)	17.	National University of Samoa (Radio)
5.	Good News Trust (TV)	18.	Power FM (Radio)
6.	Kingdom TV (TV)	19.	R & M Meredith Family Trust (Radio)
7.	Moana Communications (TV)	20.	Salafai (Radio)
8.	TV2 Network Company Ltd (TV)	21.	Samoa Quality Broadcasting (Radio)
9.	Samoa Digital Communications Ltd (TV Platform)	22.	Samoa Media Services (Radio)
10.	Samoa Quality Broadcasting TV (TV)	23.	Talamua Media (Radio)
11.	Catholic Media Communication (Radio)	24.	TV2 Network Company Ltd (FM Radio)
12.	Good News Trust Radio (Radio)	25.	Worship Centre (Radio)
13.	Radio Polynesia Limited (Radio)	26.	Youth for Christ (Radio)

Register of Generation Licensees

1.	Electric Power Corporation	4.	Samoa Trust Estates Corporation
2.	Granite Power Ltd	5.	Solar for Samoa Ltd
3.	Green Power Samoa Ltd	6.	Sun Pacific Ltd

APPENDIX B

Register of Radio Spectrum Licensees For the year ended 30 June 2020

Register Spectrum Licensees for Maritime Radio (Ship Station)

- Samoa Shipping Corporation x 4
- Apia Export Fish Packers

Register of Spectrum Licensees for Land Mobile Radio

- Samoa Lager
- Christian Star Taxi Stand
- TCB Security
- Australian Olympic Committee
- Fire & Emergency Services Authority
- Pacific Games

Register of Spectrum Licensees for FM Radio Broadcast

- Youth For Christ

Register of Spectrum Licensees for Fixed Link

- Digicel (Samoa) Limited x2
- Computer Services Limited
- Bluesky Samoa Limited x3
- Apia Broadcasting Ltd (TV3)
- Samoa Airport Authority
- EPC Scada System

Register of Spectrum Licensees for Aeronautical Radio (Aircraft Station)

- Polynesian Airlines of Samoa (Samoa Airways) x 2
- Talofa Airways x 2

Register of Amateur Radio Licensees

- Alexander Nersesian
- Lee John Moyle
- Christopher Dimitrijevic
- Hiroyuki Miyake

APPENDIX B

- Atsuo Sakuma x2

Register of Licensees for Satellite Earth Stations (transmit and receive)

- Digicel (Samoa) Limited
(O3B)

Register of Licensees for GSM900 Mobile (2G/3G)

- Digicel (Samoa) Limited
- Bluesky Samoa Limited

Register of Licensees for LTE (700, 1800, 2100)

- Bluesky Samoa Limited
- Ministry of
Communication & IT
- Digicel (Samoa)
Limited

Register of Licensees for WiMAX Broadband Spectrum

- Digicel (Samoa) Limited
- Bluesky Samoa Limited

Register of Licensees for WiFi Broadband Spectrum

- Bluesky Samoa Limited

APPENDIX C

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020