

ANNUAL
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2020



platform for a
digital nation

LEADING THE NEW NORMAL



PLATFORM FOR A DIGITAL NATION LEADING THE NEW NORMAL



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vision



Global exemplar, empowering people
through ICT sector development

mission



Fostering a competitive ICT environment
using competent, fair, transparent, forward-thinking
and responsive approaches for the benefit of all

core values

● **Commitment**

- We are loyal to the organisation.
- We are ambassadors of the organisation.
- We are dedicated to the interests of the organisation

● **Integrity**

- We are honest, objective and fair in all matters.
- We are accountable for our actions.
- We respect the value and confidentiality of our customers' information.

● **Innovativeness**

- We are data driven and open to new ideas.
- We seek creative solutions to meet the challenges of our work.
- We effectively implement innovative ideas.
- We utilise a proactive approach to our changing environment.

● **Professionalism**

- We respect and value the contributions of all persons.
- We are committed to achieving excellence.
- We recognise the importance of teamwork.
- We are productive, efficient and timely in our work.
- We continually seek to acquire expert knowledge.

● **Service Excellence**

- We promote and protect the interests of our consumers.
- We recognise the different interests of our customers and are responsive to their needs.
- We effectively engage all our stakeholders.

corporate information



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of Trinidad and Tobago**

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LEADING THE NEW NORMAL

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message from the
chairman

Gilbert Peterson, S.C.



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THE FINANCIAL YEAR 2020 WAS A WATERSHED – BOTH PLANNED AND UNPLANNED.

The Telecommunications Authority of Trinidad and Tobago (the Authority) commenced a new strategic planning cycle with our direction heavily focused on our stakeholders' increasing demand for connectivity and digital inclusion; industry sustainability and organisational effectiveness over the three years 2020 – 2022. Our goal is to build a platform for a sustainable digital nation.

As the COVID-19 pandemic unexpectedly swept through the world, it paved the way for rapid digital transformation in Trinidad and Tobago; every aspect of our lives was affected by closures, restricted movement and supply interruptions as businesses shifted operations online to maintain sustainability.

The outbreak brought into sharp focus the mission-critical value of our technological resources and the relevance of the Authority's new strategic plan. Individuals, communities, institutions, companies and the economy were suddenly hit with a need for business continuity and remote access. Everything from health and education to routine grocery shopping went online overnight!

With the confirmation of the first local case of COVID-19 in the country on March 12, 2020, our focus at the Authority shifted sharply to ensure that the country had the required connectivity as the "new normal" emerged. The challenge of connectivity, and more so, maintaining connectivity, became critical, as government agencies, institutions and individuals began urgently seeking digital strategies to mitigate the catastrophic socio-economic impact of COVID-19.

As a regulator, the Authority faced these challenges head-on and took steps to ensure that broadband availability, affordability, accessibility, and quality of service took priority, as we strove to deliver on our mandate to protect the interest of consumers.

Even as the spread of COVID-19 turned the world on its axis, creating digital nations overnight, we at the Authority grasped the opportunity and worked with the industry to develop sustainable plans that would align to our overall, longer-term, strategic intent of fostering a smart society and strong digital economy in Trinidad and Tobago.

We maintained our focus on our strategic goals and I am pleased to report that we were able to achieve 93% of what we set out for the financial year under review in this report.

We were able to achieve key initiatives, such as revising the consultation process, optimising it to facilitate timely and more effective consultation on the policies, frameworks and regulations developed by the Authority to guide the orderly development of the sectors.

I must, however, highlight some of the work that will redound to the overall benefit of the citizens of the country. We recognise that we have a crucial role to play in the country's sustainable and inclusive social and economic development. We are especially proud of our universal service initiatives (USI) that bring connectivity to the underserved. These projects include:

1. our persons with disabilities initiative to provide mobile devices with assistive technologies for persons with visual and hearing impairments and our collaboration with the Caribbean Telecommunications Union (CTU) to develop complementary Caribbean Video Assistance Programme (CVAS) that will bring connectivity and greater independence to this vulnerable group.
2. our work, as the executing agency for the USI element of the Government of Trinidad and Tobago (GORTT) National TTWiFi deployment of free WiFi at public institutions across the country.
3. the implementation of a new initiative made more urgent with the closing of schools, for the procurement of 10,000 ICT devices, to be distributed by the Ministry of Education, for "population groups (students) within the access gap", i.e., students for whom it is economically challenging to access basic telecommunications services to continue their education online. These devices were delivered in November 2020.

MESSAGE FROM THE CHAIRMAN (CONTINUED)

During this period, the Authority also provided legal assistance and technical expertise on key initiatives on the National ICT Legislative Agenda. These included work on the Electronic Transactions Act (ETA), the Data Protection Act and other related issues. We also worked on an update of the Intellectual Property Rights (IPR) framework to include the blocking of copyright-infringing (streaming) services and sites by Internet Service Providers (ISPs), amongst others.

The Authority continued to facilitate and support the process to amend the Telecommunications Act and subsidiary regulations, by providing legal and technical expertise when required, as well as conducting detailed reviews of the proposed amendments to ensure the finalisation of all relevant legislation.

Leading the New Normal

It is in years like these, of great crisis, that the role of the telecommunications and broadcasting regulator comes clearly into focus.

Looking ahead, we will work towards increasing broadband availability, to help manage the greater congestion on the fixed and mobile networks with the increased number of devices per household accessing data at the same time for work, education, and entertainment. This even as we tackle the issues of accessibility and affordability to bridge the digital divide.

In the coming financial year, we will develop and deliver on an ICT skills training programme for the students who received the 10,000 devices, and their parents, to help them derive the greatest benefit from the technology.

We will also work towards improving our stakeholder relationships and consumers' understanding of the sector's contribution to national development, to improve competition in the market.

On a more macro scale, the Authority will continue to advance its mission to create an enabling environment for promoting investment,

by building further resilience into our already robust network, through the establishment of a second landing station for subsea cables, the modernisation of our spectrum management framework and the development of a framework for 5G.

Thank You

I thank my colleagues on the Board for standing resolutely with me as we steer the telecommunications and broadcasting sectors of Trinidad and Tobago into a new era. It is not always easy, and involves long discussions, careful deliberations, and sure-footed decisions. Thank you all for your unstinting support.

To our key stakeholders, the telecommunications and broadcasting operators, thank you for working with us throughout this unusual year. Our success could not have come without the commitment of our operators, who must be commended for their positivity and same-day response.

To the management and staff of the Authority, you have always rallied well. We have a tremendous responsibility as an organisation and, in this pandemic year, it was particularly challenging. Thank you for holding the fort as COVID-19 swept through the country. The Authority was stretched to think innovatively, react quickly, and cut through red tape to meet the immediate needs of providers and consumers alike. There was no time for pausing and all of you hit the ground running. Your COVID-19 response recommendations were excellent, well-timed, and put us on solid ground towards becoming a digital nation.

Thank you all for the sterling efforts in 2020.



Gilbert Peterson, S.C.
Chairman of the Board of Directors



message from the

chief executive officer

Cynthia Reddock-Downes

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CHIEF EXECUTIVE OFFICER'S REPORT

THE AUTHORITY'S MANDATES FOR LIBERALISING AND ENSURING ORDERLY DEVELOPMENT OF THE SECTOR, AND PROTECTING THE INTEREST OF CONSUMERS WAS NEVER BROUGHT INTO CLEARER FOCUS AS IN THE FINANCIAL YEAR 2019-2020.

We were called to manage a new strategic direction, evaluating new approaches to competition, and creating a whole new normal both for the organisation and the sectors in the face of a COVID-19 pandemic.

Operationally, we stood resolute in our determination to do the best for Trinidad and Tobago, our operators, and consumers as we worked to achieve our strategic goals and to lead the telecommunications and broadcasting sectors to a level of normalcy in the face of the pandemic.

Our first order of business was maintaining connectivity as government agencies, institutions and individuals began urgently seeking digital strategies that can help mitigate the catastrophic socio-economic effects of COVID-19.

The Authority assigned more spectrum to the mobile operators – TSTT and Digicel, at no additional cost, to ensure improved and more resilient connectivity for citizens as the country began to grapple with containing the spread of the COVID-19 virus. This ensured that broadband availability, affordability, accessibility and quality of service took priority.

That move was to facilitate the expected increase in traffic which, based on mobile operators' network monitoring, has already begun with the increased number of people now working from home. It also ensured that mobile consumers have connectivity to reach relatives, friends and essential services during the peak period, as the government and health care providers put measures in place to flatten the COVID-19 curve.

We worked to ensure:

1. That consumers in urban and rural communities received sufficient bandwidth to deal with increased traffic and that connectivity would be maintained across the twin-island nation.
2. The provision of low-cost packages as well as additional services free of charge to the consumer. These included improvements to voice, Internet and SMS packages, amongst others.
3. The Ministry of Public Administration could provide services to low-income households that did not have access to Internet services. This was to facilitate a timely emergency communication of bulletins issued by the Ministry of National Security and the Ministry of Health regarding COVID-19.
4. The broadcasters and the Ministry of Communications could continue educating the children who had SEA, CSEC and CAPE Examinations via the television commencing with the state station — TTT.
5. That we maintained our commitment to continuous consumer support for all aspects of our business through our front-facing staff working remotely. The organisation was virtual; consumers had access and the underserved were coming into the mainstream of the digital world. Connectivity was in place. The public was informed and kept up to date via the print media and the web interfaces – website and social media channels – on how to do business with us in the new environment.
6. More importantly, ample broadband was in place to assist the Ministry of Health and its partner agencies with collecting, analysing and managing data relating to COVID-19, to aid evidence-based decision making on where cases were occurring and what resources were required by area.

The key for the Authority in this COVID-19 experience was (1) innovative policy and regulatory measures designed to protect the consumer by ensuring that communities remain connected and (2) response time. All this to ensure a smooth transition of as many persons in the country to the digital economy of the quickly emerging digital nation.

That was spurred on by our willingness to consult openly and positively, the support of our operators, and a unified need to harness the full potential of information and communications technologies (ICTs) to save the lives of our citizens and safeguard their economic welfare in the longer term.

Once this was in place, we returned our focus to our strategic themes and outcomes for 2020. They were:

- 1. Stakeholder Relationship Management**
— Informed, empowered, and satisfied consumers of ICT services
- 2. Universal Service Connectivity and Digital Inclusion**
— Improved availability and access to high-quality ICT solutions and services
- 3. Sustainability of Industry**
— A dynamic and progressive ICT sector driving national development
- 4. Organisation Effectiveness**
— Improved organisation performance and service delivery, enabling a high-performing ICT sector

Our successes in achieving our key performance indicators in these areas are outlined in the pages of this report.

We have done so much more.

To complement these key deliverables, we have reviewed and consulted on improved technical standards for fixed telecommunications networks, to guide operators on our minimum standards in the design of reliability and robustness into their networks, to combat the destructive forces of natural and man-made disasters that may impair, damage or destroy telecommunications networks.

On the broadcasting side, we were able to complete consultation on three key frameworks that will guide the development of our broadcasting industry as we meet our commitment to all broadcasting consumers and other stakeholders. These included our Authorisation Frameworks for Niche FM Radio and Free to Air Broadcast Auxiliary Services. We also completed an assessment of the rollout obligations for Free-to-Air (FTA) Radio. All of these are geared towards to improvement of the broadcasting services offered to consumers. During 2020 we were also able to contribute to the completion of the work of the Global Maritime Distress and Safety System (GMDSS) Committee comprised of the Authority,

Maritime Services Division Ministry of Works and Transport (MSD-MOWT), Telecommunications Services of Trinidad and Tobago (TSTT) and Trinidad and Tobago Coast Guard (TTCG).

This is a significant piece of work since the GMDSS ensures the protection of the lives of our fishermen and other persons at sea. The committee reviewed the status of the GMDSS services in Trinidad and Tobago and made recommendations to ensure that safety of life at sea is not compromised, (specifically communications for search and rescue operations), and that Trinidad and Tobago meets its obligations under the SOLAS convention.

Expression of Thanks

At the Authority we believe in teamwork, consultation, and collaboration with our stakeholders to achieve what is best for our sectors. Our work will not be complete without the contribution of many.

I take this opportunity to thank our Chairman Mr. Gilbert Peterson, SC. and our Board of Directors who stand with us giving clear guidance, encouragement, and support for all our endeavours. It is your guidance that ensures that we have the best possible result. On behalf of the Management and staff and on my behalf, I thank you.

Thanks too, to our operators from both the telecommunication and broadcasting sectors who responded positively, and promptly to all our recommendations and requests to get our country through the upheaval of the COVID-19 pandemic and supported us through all our many consultations on documents and frameworks.

I also thank our various industry partners and other stakeholders.

To our management and staff who stood resolutely with me through 2020, even as the challenges came. Thank you! I appreciate your dedication to service.

I am looking forward to working together with all of you in the coming year as we continue on our quest to transition Trinidad and Tobago to a digital nation.


Cynthia Reddock-Downes
Chief Executive Officer



board of directors



Michael Lucien

Gilbert Peterson, S.C.
Chairman

Dr. Kim Mallalieu
Deputy Chairman

Nikolaiski Ali

Stephen Tang Nian



Dr. Beverly Beckles

Oliver Elcock

Kalana Prince-Wilson

Terrence Henry

Prof. St Clair King

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GOVERNANCE STRUCTURE

The Telecommunications Authority of Trinidad and Tobago (the Authority) is an independent regulatory body established by the Telecommunications Act, Chap. 47:31 of the Laws of Trinidad and Tobago. The Authority became operational on July 1, 2004 and is responsible for the development of Trinidad and Tobago's telecommunications and broadcasting sectors.

One of the Authority's primary responsibilities is the continual review and development of a rigorous regulatory framework to serve as a platform for the delivery of reliable, affordable technologies by service providers from which all segments of society can benefit.

A Board of Directors appointed by the President of the Republic of Trinidad and Tobago manages the Authority and all initiatives are implemented under the guidance of the Board of Directors, Board Committees and the Senior Management Team as listed hereunder for the period 2018–2019:

Board of Directors

Gilbert Peterson, S.C. (Chairman)
 Dr Kim Mallalieu (Deputy Chairman)
 Dr Beverly Beckles
 Kalana Prince-Wilson
 Michael Lucien
 Nikolaiski Ali
 Oliver Elcock
 Professor St. Clair King
 Stephen Tang Nian
 Terrence Henry

Sub-Committees of the Board

Adherence to optimal ethical standards and international best practice in the telecommunications and broadcasting sectors are assured through keen oversight by the following subcommittees of the Board.

Audit Committee

The committee assists the Board of Directors in fulfilling its oversight responsibilities in a number of areas, including management of risk and compliance with legal and regulatory requirements.

Stephen Tang Nian (Chair)
 Dr Beverly Beckles
 Nikolaiski Ali

Governance Committee

The main role of this sub-committee is to ensure the Authority fulfils its legal, ethical, and functional responsibilities in areas such as recruitment and training of staff.

Gilbert Peterson, S.C. (Chair)
 Michael Lucien
 Professor St. Clair King
 Terrence Henry

Board Review Committee

This committee assists in a number of areas, including reviewing regulatory documents, as well as reviewing and considering technical, policy and other decisions as may be requested by the Authority's stakeholders.

Dr. Kim Mallalieu (Chair)
 Kalana Prince-Wilson
 Stephen Tang Nian

Board Tenders Committee

This committee, inter alia, considers tenders and awards contracts.

Nikolaiski Ali (Chair)
 Oliver Elcock
 Professor St. Clair King

Consumer Complaints Committee

This committee collects, decides on and reports to the Board on all consumer complaints. It is headed by an individual external to the Authority and comprises members of the Board and staff.

Pamela Benson (Independent Chair)
 Michael Lucien (Board Member)
 Rawle Harvey (Secretary)
 Sherry Mc Millan (Executive Officer CC)
 Cheryl Johnson (Manager Public Relations and Consumer Affairs)



management team

Cynthia Reddock-Downes
Chief Executive Officer

Karel Douglas
Executive Officer
Legal and Enforcement/
Corporate Secretary

Annie Baldeo
Executive Officer
Policy Planning
and Economics

Kirk Sookram
Executive Officer
Technology and
Engineering

Sherry Mc Millan
Executive Officer
Corporate
Communications



« «
TELECOMMUNICATIONS
AUTHORITY OF
TRINIDAD AND TOBAGO



leading the
new normal

1 Review of Key Accomplishments and Ongoing Activities

In April 2020, a new strategic plan for the period 2020 – 2022 was approved by the Authority's Board of Directors. The plan identified four strategic themes as follows:

- **Stakeholder Relationship Management**
- **Sustainability of Industry**
- **Universal Service, Connectivity and Digital Inclusion**
- **Organisational Effectiveness (People, Process, Systems, Facilities)**

An operational plan for the three-year strategic planning period was developed and key deliverables for each year were laid down. Annually, the key deliverables (for the year under review) are monitored and managed through a quarterly corporate performance management system to ensure that the goals of the plan are realised.

Some of the key deliverables for the financial year 2019 – 2020, under each strategic theme, are reported on below.

1.1 Strategic Theme 1: Stakeholder Relationship Management

1.1.1 Strategic Objective: Improve the Consultation Process

1.1.1.1 Revision of Consultation Procedures

Consultation is considered an essential part of regulatory accountability and transparency. It is how stakeholders in the telecommunications and broadcasting sectors, affected by various regulatory instruments, express their views on matters which affect them.

The Authority has been using its *Procedures for Consultation in the Telecommunications and Broadcasting Sectors of Trinidad and Tobago* (Consultation Procedures), which were first drafted in 2005 and subsequently revised in 2010, to guide all public and targeted stakeholder consultations. However, as the telecommunications and broadcasting sectors continue to evolve, the Authority has recognised the need to update these procedures, to facilitate timely and more effective consultation on the policies, frameworks and regulations published by the Authority.

The revised Consultation Procedures document was issued for public consultation in August 2019. In August 2020, the document, along with the Decisions on Recommendations (DoRs) from the first round of consultation, was issued for a second round. Taking into consideration the feedback received from stakeholders during that second round of consultation, the document was revised and finalised in September 2020 and will be published and implemented during the new financial year.

The revised document incorporates new methods and platforms, e.g., social media, to encourage greater participation in the consultation process. Additionally, the document streamlines the consultation periods, taking into account factors such as the level of complexity of the subject matter and the potential impact on the industry. It is envisioned that the new procedures will not only increase the efficiency of the process but also lead to greater regulatory accountability and transparency.

1.2 Strategic Theme 2: Sustainability of Industry

1.2.1 Strategic Objective: Improving Stakeholder Understanding of the Sector's Contribution to National Development

1.2.1.1 Consumer Education Campaigns

Each year, the Authority engages with consumers in a variety of ways as a means of educating the public and raising awareness of developments in the telecommunications and broadcasting industry, globally and locally.

Many challenges faced by consumers of telecommunications and broadcasting services are as a result of a lack of information and awareness. As such, the "Yuh Don't Know What Yuh Don't Know" video and print media campaign was launched in the previous financial year, thereby enabling consumers to make more informed choices and to widen awareness of the Authority's consumer protection role and complaint facility. The videos featured staff from the Authority acting out scenarios set in the everyday life of the average person in Trinidad

1 Review of Key Accomplishments and Ongoing Activities *(continued)*

and Tobago and discussing issues affecting them as consumers, such as the dangers of online streaming and android boxes.

The videos were broadcast on local free-to-air (FTA) television and radio stations and were also uploaded on the Authority's social media accounts.

During the period under review, the Authority presented season 2 of the campaign. Three videos were produced and aired focussing on android boxes and streaming media.

The Authority also published 11 articles in the three daily newspapers, on topics such as the Authority's consumer complaints process, mobile number portability, the equipment certification process and data management.

1.2.1.2 Facilitation of ICT-Related Programmes

- *Girls in ICT Day*

The International Telecommunication Union (ITU) established Girls in ICT Day to encourage more girls and young women to consider studies and careers in information and communications technology (ICT), to close the gender gap and attract a greater percentage of the global workforce to the field, to meet technology-driven development goals.

Girls in ICT Day is celebrated annually on the fourth Thursday in April. The Authority usually marks the day with a rich programme of motivational talks and hands-on activities targeting female secondary school students, hosted at the Authority's head office. With the imposing of restrictions following the outbreak of the coronavirus disease 2019 (COVID-19) in March 2020, the Authority conceptualised a way to commemorate the day online. It launched a social media campaign, "Why Not A Girl?", highlighting the achievements of 15 female Trinidad and Tobago professionals working in ICT, and especially in the telecommunications and broadcasting industry. They included Senator the Honourable Allyson West, Minister of Public Administration and Digital Transformation (MPADT), and leading female executives from CANTO, CIBC FirstCaribbean International Bank, IGovTT, the Ministry

of Health, MOH, the Trinidad and Tobago Publishers and Broadcasters Association (TTPBA) and the Authority.

The initiative promoted greater awareness of ICT as a gender-neutral field. It also highlighted the exciting and diverse "tech" career opportunities for young women to consider. The women featured gave empowering words on why girls should not place limitations on their capabilities and their dreams based on their gender.

- *World Telecommunication and Information Society Day 2020*

World Telecommunication and Information Society Day (WTISD) is celebrated on May 17 each year, to raise awareness of the potential and the possibilities that ICTs bring to societies and economies, as key drivers to progress through increased connectivity and capacity for innovation.

The 2020 WTISD theme, "Connect 2030: ICTs for the Sustainable Development Goals (SDGs)", put the spotlight on how advancements in technology, and particularly digital technologies, contribute to the attainment of the 17 SDGs. These SDGs promote greater uptake of ICTs, which is critical for bridging the digital divide.

The Authority observed WTISD 2020 with an advertisement in the newspapers. In addition, on May 26 and 28, the Authority, in collaboration with the MPADT and the Caribbean Industrial Research Institute (CARIRI), held two online app development workshops for teenagers between the ages of 12 and 15. The workshops focused on SDG 4, which is aimed at ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all.

1.2.1.3 Publication of the 14th Annual Market Report: Telecommunications and Broadcasting Sectors

This report presents yearly information on the markets within the telecommunications and broadcasting sectors, which includes data on subscriptions, gross revenues and traffic

1 Review of Key Accomplishments and Ongoing Activities (continued)

of these markets. The data collected are also used by the Authority to determine the market share of the relevant service operators, and to monitor and inform policy decisions that will facilitate the orderly development of the markets within these sectors.

The data in the *14th Annual Market Report: Telecommunications and Broadcasting Sectors 2019* (Annual Market Report)¹ is based primarily on the results of a survey of concessionaires within the telecommunications and broadcasting sectors for the period January to December 2019. The report was completed in the financial year under review and published on the Authority's website. The report also highlighted the milestone of 25 years of Internet connectivity in Trinidad and Tobago.

1.2.2 Strategic Objective: Facilitate ICT Innovation, Legislative Development and Research and Development

1.2.2.1 National ICT Legislative Agenda

A core aspect of the work of the Authority is to modernise, enhance and harmonise its legal and regulatory framework in line with international best practice, technological advancements and industry and stakeholder needs. During this review period, the Authority provided legal assistance and technical expertise on the following:

- **Electronic Transactions Act (ETA)** — The Authority advised the inter-ministerial sub-committee on the role the Authority can play in the short term under the ETA.
- **Data Protection Act** — In November 2019, the Authority participated in workshops and consultations to assess the Data Protection Act, 2011 and other related issues.
- **Intellectual Property Rights (IPR)** — The IPR framework was developed to facilitate compliance with IPR as it relates to broadcasting, as well as to minimise instances of market distortions caused

by diverging levels of compliance in the broadcasting market. The overall aim is to ensure the availability of a wide range of programming choices for consumers of broadcasting services.

The Authority was required to update the IPR framework to include the blocking of copyright-infringing (streaming) services and sites by Internet service providers (ISPs) and the preparation of a position paper on licence-free content transmitted by broadcasters.

- **Telecommunications Act Amendments and Subsidiary Regulations** — The Telecommunications Act, Chap. 47:31 (the Act) was passed in 2001 to facilitate the liberalisation of the telecommunications sector. It therefore provides, among other things, for the establishment of the Authority to guide the sector's transformation from a virtual monopoly to a competitive environment; monitor and regulate the ongoing expansion of the sector and prevent anti-competitive practices. Following an amendment of the Act in 2004, the Authority undertook periodic reviews of the objectives of the Act and proposed additional amendments which were aligned to international best practice and also incorporated stakeholder feedback. This exercise was geared towards strengthening the Authority's statutory functions and operations while treating with other matters related to public policy, ICT convergence, competition issues, sector-specific oversight, authorisation, penalties and breaches, and the inclusion of new and revised definitions of services.

During the review period, the Authority continued to facilitate and support the process to amend the Act and subsidiary regulations, by providing legal and technical expertise when required, as well as conducting detailed reviews of the proposed amendments to ensure the finalisation of all relevant legislation.

¹ The full 14th Annual Market Report: Telecommunications and Broadcasting Sectors 2019 is available at <http://www.tatt.org.tt>

1 Review of Key Accomplishments and Ongoing Activities (continued)

1.2.3 Strategic Objective: Enabling a Modernised and Dynamic Broadcasting Sector

1.2.3.1 Hosting of Workshops with Broadcasters

- *Training Sessions for Broadcast Journalists*

One of the ways in which the Authority supports the development of the broadcasting sector is through its annual initiatives that help to promote professionalism, standards and ethics, particularly in light of the radical changes brought on by digital technology, and the challenges facing mainstream media, especially with the rise of competing social media platforms and the scourge of "fake news".

The Authority held two online training sessions on July 16 and 20, the aim of which was to encourage and enable journalists to be more accurate, objective and balanced in their coverage of the campaigning for the general election that would take place in the latter half of the year.

Approximately 60 electronic and print media broadcast journalists and journalism students participated. The sessions explored the kinds of difficulties journalists experience in getting accurate information; the need for fact-checking before publication; and understanding polls and rules on election day, amongst other topics.

The Authority also hosted a virtual four-part radio journalism series on August 25 and 28 and September 2 and 4, which addressed topics such as writing a news bulletin; the dos and don'ts of fact-checking and reporting in times of crisis.

- *Hosting of the Annual Broadcasting Forum 2020*

The objective of this year's forum, which was held on September 22, was to build capacity in the local broadcasting industry in areas such as talk show hosting, broadcasting and the law and the draft Broadcasting Code. Topics discussed by the 51 participants included: the standard of online talk shows; the development

of a methodology for the commencement of self-regulation of the industry, as codified in the draft Broadcasting Code; addressing complaints of profanity, racism, political bias, hate speech, defamation and the lyrical content of songs; how to produce media news; parliamentary reporting; and the requirements for producing news for the "sightless" media — radio.

The participants also worked on a code of ethical conduct for the media.

1.2.3.2 Revision of the Amateur Radio Framework

Amateur radio service is notably the oldest type of radio service and predates the regulation of radiocommunications. Amateur radio plays a particularly important and internationally recognised role in disaster communications since it has a unique ability to provide radiocommunications independent of the telephone network or other radio services.

Internationally, amateur radio and amateur satellites are fully recognised radiocommunications services defined in the ITU's Radio Regulations. Amateur service retains relatively narrow bands within the radio spectrum from 1.8 MHz through 250 GHz. Many of the frequency allocations are on a secondary basis and may be shared with other users.

During the financial year, the Authority held stakeholder consultations with the amateur operator groups and revised its Framework for the Authorisation of Amateur Radio Services accordingly. The overall objective of this exercise is to develop an up-to-date and robust framework reflective of the international work in this area, as well as to incorporate the information gathered from consultations with local stakeholders.

1.2.3.3 Risk Assessment of Spectrum

Section 18(1)(i) of the Act states that one of the key functions of the Authority is to plan, supervise, regulate and manage the use of the radio frequency (RF) spectrum. The continuous monitoring of all spectra that have been allocated or assigned should be done in the most economically feasible and technically

1 Review of Key Accomplishments and Ongoing Activities (continued)

efficient manner. One effective approach to spectrum monitoring is via risk assessment, i.e., evaluating spectrum based on the degree of issues associated with its use (e.g., interference complaints, infractions by licensees, shared versus exclusively assigned frequency bands and unauthorised use), to determine an appropriate monitoring schedule.

During the financial year, the Authority prepared a Risk Assessment of Spectrum to Prioritise Spectrum Audit Activities, to guide spectrum monitoring going forward. In addition, the audit plans for the point-to-point and very small aperture terminal (VSAT) telecommunications/earth station/commercial television receive-only (TVRO) radiocommunications systems were completed, along with the non-field related audit activities.

1.2.3.4 Revision of Licensing Processes

As part of improving the overall customer experience the Authority sought to improve the efficiency of its licensing process by reducing the timeframes for granting of new licences and renewal of licences. As part of improving the overall customer experience, the Authority reviewed all forms and guidelines, with the goal of transferring these forms to an online automated platform.

The scope of this project involved hosting of stakeholder consultations on the amendment and consolidation of the relevant application forms and guidelines. New internal procedures and policies were also developed and implemented to support the improvements.

By year-end, all stakeholder consultations had been conducted and the licensing processes and procedures revised accordingly.

1.3 Strategic Theme 3: Universal Service, Connectivity and Digital Inclusion

1.3.1 Strategic Objective: Close Access Gap through Universal Service Initiatives

1.3.1.1 Persons with Disabilities Initiative

This universal service initiative aims to provide subsidised assistive mobile devices to persons

with disabilities (PwDs) in Trinidad and Tobago. It will help to ensure that PwDs have access to affordable basic ICT services, particularly mobile telecommunications services, thereby reducing the digital divide. This project, which is funded through the Universal Service Fund (USF), enhances the quality of life for those with physical disabilities, by enabling them to participate more fully in society and ensuring equality of opportunity for this population group.

The Authority has also partnered with the Caribbean Telecommunications Union (CTU) to develop a Caribbean video assistance service (CVAS). CVAS is a highly complementary service to the PwD initiative and is being offered through a collaboration between the CTU and VTCSecure. VTCSecure is a global leader in communications access for PwDs, providing secure on-demand video, voice and text call-centre services on smartphones, computers or wireless devices. PwDs who are visually or hearing impaired will have access to this software through a direct download of the application on their mobile phones.

During this financial year, the scope of this project involved: the rollout of a public awareness campaign; collaboration between the PwD-affiliated organisations and the Ministry of Social Development and Family Services; and continued mobile phone distribution to PwDs.

The pilot phase of the PwD initiative officially commenced on February 3, 2020 but was set back because of COVID-19 restrictions and transitioned into full implementation on September 8, 2020.

1.3.1.2 Provision of ICT-Enabled Devices and Internet Connectivity Access Service to Students in Trinidad and Tobago

Following the outbreak of COVID-19, the Government of Trinidad and Tobago instructed that all schools be closed until 2021. To ensure that all public-school students have access to education/classes via the online platforms and media, the Ministry of Education (MoE) pressed ahead with the provisioning of ICT-enabled devices and Internet access service to underserved students.

1 Review of Key Accomplishments and Ongoing Activities (continued)

Acting in accordance with the Telecommunications (Universal Service) Regulations (the Regulations), the Authority established a mandatory universal service initiative, financed through the USF, to provide ICT-enabled devices and Internet connectivity to students most in need. During the financial year, the Authority engaged the mobile service providers in the procurement of 10,000 tablet devices and SIM cards, together with mobile Internet packages. The distribution of the devices via the MoE was scheduled for the end of November 2020.

1.3.1.3 Digital Inclusion Survey

Over the last decade, there has been considerable growth of consumer access to, and use of, telecommunications and broadcasting services in Trinidad and Tobago. However, this growth has been uneven and has contributed to the existing digital divide disproportionately affecting some population groups and geographic areas in the country.

The Authority has conducted two digital divide surveys over the years, the last being in 2013. The results of these surveys have been widely used by a variety of stakeholders.

During the financial period under review, the Authority commenced work to conduct another digital inclusion survey in 2021. One of the key outcomes will be the identification of gaps between those persons or groups of persons who have access to telecommunications and broadcasting services and those who do not and the population groups and geographic areas most at risk of being digitally excluded.

1.4 Strategic Theme 4: Organisational Effectiveness (People, Process, Systems, Facilities)

1.4.1 Strategic Objective: Improve Operational Efficiency Through a More Effective Application of ICT

1.4.1.1 Facilitation of Online Payments

With the integration of digital technology redefining how business is conducted in today's world, the Authority is currently reviewing a platform by which online payments can be made by concessionaires, licensees and other parties, thereby promoting the ease of doing business in a more virtual environment, and delivering greater value to the consumer. In this way, the Authority continues to promote the use of ICTs in its operations and increase customers' choices.

During the year under review, the pilot programme implementation and use of the online payment solution was tested successfully.

1.4.1.2 TATT Goes Digital

The aim of the "TATT Goes Digital" initiative was to enable the transfer of all the Authority's customer services online, precipitated by the COVID-19 restrictions. This digital transformation project involved the identification, planning and establishment of new arrangements to keep services available to the public seamlessly and meet the Authority's statutory mandate to protect and promote the interests of consumers, suppliers and other end-users, with respect to the quality and variety of services supplied.

The impacted services included:

- consumer, broadcasting and interference complaints
- concession and licence applications
- equipment certification

To provide these services online, the Authority's operations were migrated virtually. The virtual platform also enabled the hosting of meetings with persons both internal and external to the organisation. Implementation included a communications plan, utilising social media and other online platforms, to advise the public that the Authority was still available to serve its customers and indicate how its services could now be accessed.

2 Looking Ahead 2020–2021

Over the period 2019 – 2022, the Authority will focus on the four strategic themes identified in its new strategic plan: namely, Stakeholder Relationship Management; Sustainability of Industry; Universal Service, Connectivity and Digital Inclusion; and Organisational Effectiveness (People, Process, Systems, Facilities). Through the implementation of the deliverables under each of these themes, the Authority is confident its goals will be realised.

The following sub-sections identify some of the objectives and key deliverables under the strategic themes to be implemented in the next financial period 2020 – 2021.

2.1 Stakeholder Relationship Management

2.1.1 Improve Consumer Advocacy

- Development of an ICT outreach initiative

2.2 Sustainability of the Industry

2.2.1 Improve Stakeholder Understanding of the Sector's Contribution to National Development

- Publication of the *15th Annual Market Report: Telecommunications and Broadcasting Sectors 2020*

2.2.2 Facilitate ICT Innovation, Legislative Development and Research and Development

- Development of a framework for anti-siphoning and anti-hoarding
- Development of a policy framework on Internet radio

2.2.3 Improve Fair Competition

- Development of a net neutrality discussion paper and policy framework

2.2.4 Strengthen Enforcement — Concession Obligations

- Review of the procedures for dispute resolution

2.2.5 Reform Spectrum Management

- Modernising the Authority's spectrum management framework
- Revising the amateur radio services framework
- Conducting point-to-point and VSAT spectrum audits
- Development of an authorisation framework for maritime services

2.3 Universal Service, Connectivity and Digital Inclusion

2.3.1 Ensure Affordable Services

- Publication of the Results of an Interconnection Benchmarking Study for the Telecommunications Sector of Trinidad and Tobago

2.3.2 Close Access Gap through Universal Service Initiatives

- Implementation and completion of the digital inclusion survey

2.3.3 Enhancing Network Resilience (Wireless Networks)

- Establishment of standards to promote robustness of national telecommunications infrastructure
- Facilitating the establishment of a second sub-sea cable system landing station
- Development of a framework for the monitoring of technical standards

3 Overview of the Telecommunications and Broadcasting Sectors

3.1 Trends in Market Revenues for January to December 2019

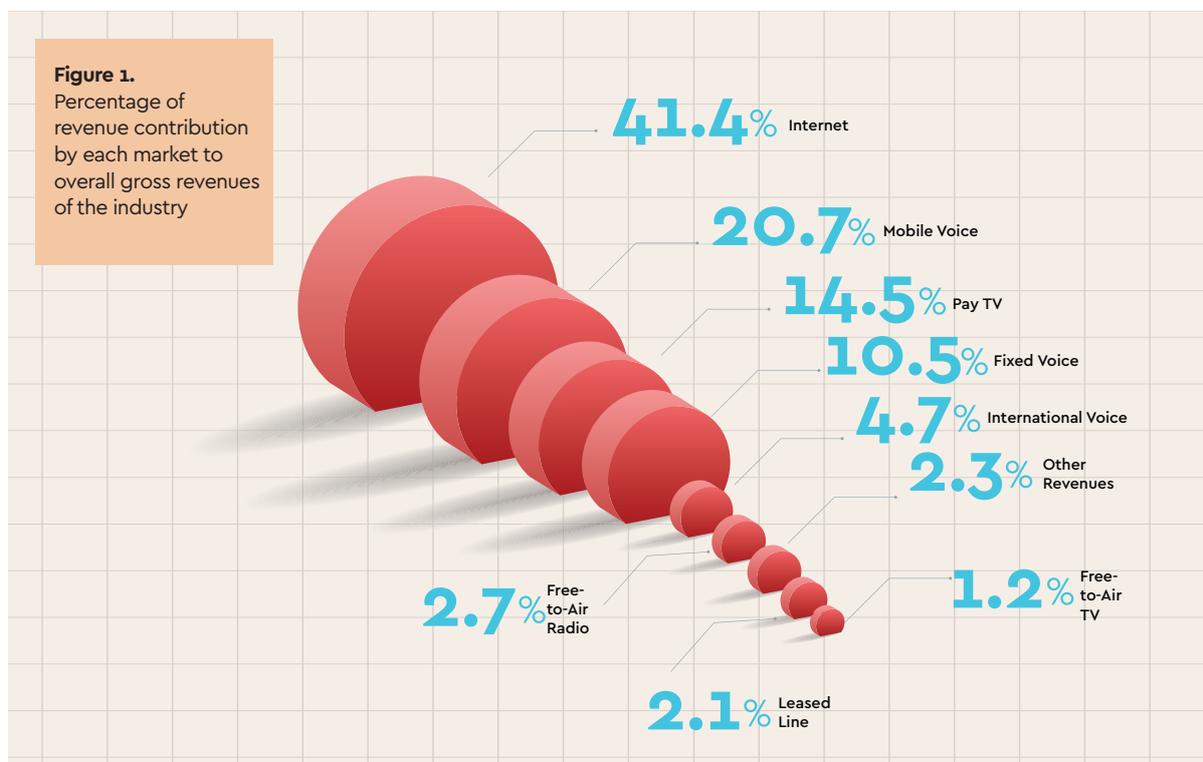
The data in the Authority's Annual Market Report 2019 indicate that the telecommunications and broadcasting sectors generated an estimated TT\$5.02 billion² (US\$740.7 million³) in 2019, equating to 3.0% of GDP⁴. This represents an 11.0% decrease in total revenues generated by these sectors when compared to 2018.

The telecommunications sector contributed TT\$4.1 billion (81.7%) of total industry revenues, while the broadcasting sector contributed TT\$0.92 billion (18.3%).

Internet services accounted for most of the total telecommunications and broadcasting revenues, with TT\$2,079.7 million (41.4%). This

was followed by mobile voice services, which contributed TT\$1,038 million (20.7%). The next highest revenue earners for the industry were pay-TV services and fixed voice services⁵, contributing a total of TT\$726.9 million (14.5%) and TT\$525.9 million (10.5%), respectively. The international voice market was next, generating TT\$237 million (4.7%). The FTA radio and television markets contributed TT\$133.5 million (2.7%) and TT\$60.2 million (1.2%), respectively. Leased line services⁶ contributed TT\$105.6 million (2.1%).

Other revenues⁷ generated TT\$114.8 million, which contributed 2.3% to total industry earnings. Of that TT\$114.8 million, telecommunications generated TT\$110.1 million, while broadcasting generated TT\$4.7 million.



² This figure includes revenues from telecommunications and broadcasting services offered to members of the general public and private leased line services.

³ Central Bank of Trinidad and Tobago (CBTT) exchange rate: US\$1=TT\$6.78

⁴ GDP at current market prices for 2019: TT\$165,937.4 million (Source: TT Ministry of Finance Review of the Economy 2019)

⁵ Fixed voice market revenues include revenues earned from fixed voice services and access (excluding international services).

⁶ Leased lines include both international and domestic leased circuits.

⁷ "Other revenues" comprise revenues earned from both the telecommunications sector and the broadcasting sector, such as revenues received from wholesale services, and production and airtime for local programming on pay TV.

3 Overview of the Telecommunications and Broadcasting Sectors (continued)

3.2 Domestic Telecommunications and Broadcasting Statistics

The statistics for the telecommunications and broadcasting markets over the period 2011 – 2019, taken from the Annual Market Report 2019, are shown in Table 1.

These data — on subscriptions, average revenue per user (ARPU) and traffic from the relevant markets — are used by the Authority to monitor and inform policy decisions that facilitate the orderly development of the markets within the two sectors.

		2011	2012	2013	2014	2015	2016	2017	2018	2019
General	Population (millions)	1.3	1.3	1.3	1.3	1.3	1.4	1.4	1.4	1.4
	Telecom revenue (US\$ million)	737.0	834.0	864.4	881.5	876.7	836.0	758.1	832.1	740.7
	Total telephone subscriptions ('000s)	2,117.7	2,169.8	2,235.2	2,270.4	2,393.2	2,471.6	2,349.3	2,290.3	2,496.0
	Total telephone penetration	160.7	164.7	168.3	171.4	180.7	186.6	177.3	172.9	183.0
	Average revenue per user ⁸ (ARPU) US\$	348.0	384.4	386.7	388.3	366.3	338.2	322.7	363.3	296.7
Fixed Voice	Fixed voice subscriptions ('000s)	291.5	286.1	291.3	289.8	269.8	305.7	318.7	317.7	332.3
	Fixed voice penetration	22.0	21.6	21.9	21.9	20.0	22.6	23.5	23.4	24.4
	Fixed voice household penetration	67.1	55.3	56.2	56.6	52.5	62.1	66.3	66.7	71.0
	Average revenue per user (ARPU) US\$	417.3	430.5	413.1	410.7	424.2	402.4	359.0	272.4	235.6
	Fixed voice subscription growth	-0.6	-1.9	1.6	-0.7	-6.3	13.3	4.2	-0.3	4.6
Mobile	Mobile subscriptions ('000s)	1,826.2	1,880.6	1,943.9	1,980.6	2,123.4	2,165.8	2,031.6	1,972.6	2,163.7
	Mobile penetration	138.6	142.2	146.4	149.1	157.3	160.0	150.0	145.1	158.6
	Average revenue per user (ARPU) US\$	173.0	188.0	189.0	174.5	147.1	136.8	113.0	89.0	70.7
	Mobile subscription growth (%)	-3.6	3.1	3.2	1.9	7.2	2.0	-6.2	-2.9	9.7

⁸ Average revenue per user is calculated as the total revenues generated from the service divided by the total number of subscriptions to the service.

		2011	2012	2013	2014	2015	2016	2017	2018	2019
Internet	Total Internet subscriptions ⁹ ('000s)	325.2	646.7	682.3	820.1	925.2	1,001.7	1,031.6	1,017.9	992.7
	Fixed Internet subscriptions ¹⁰ ('000s)	192.0	224.2	231.7	249.6	279.8	294.4	327.0	341.3	339.4
	Mobile Internet subscriptions ¹¹ ('000s)	133.2	422.5	450.6	570.5	645.4	707.3	704.6	678.6	653.3
	Fixed broadband subscriptions ¹² ('000s)	187.9	221.3	229.6	248.1	278.5	294.3	326.8	341.1	339.3
	Fixed Internet users ¹³ ('000s)	768.0	726.0	751.0	757.8	851.1	900.7	1,001.4	1,051.4	1,059.1
	Fixed Internet penetration	14.6	16.9	17.4	18.8	21.1	21.7	24.2	25.1	24.9
	Mobile Internet penetration	10.1	31.9	33.9	43.0	47.8	52.2	52.0	49.9	47.9
	Fixed Internet users penetration	55.0	51.8	53.0	57.1	63.1	57.2	74.0	77.4	77.6
	Fixed Internet household penetration	52.8	52.1	54.2	58.3	65.4	69.3	76.9	80.8	79.9
	Average revenue per user (ARPU) US\$ for fixed Internet	431.9	422.8	440.0	448.6	430.3	470.5	417.9	492.7	510.8
	Fixed Internet subscription growth (%)	21.7	10.7	6.0	7.8	12.1	5.2	11.1	4.4	-0.5
International voice Traffic	International - outgoing (min. million)	274.5	263.5	277.9	268.3	247.2	170.9	125.2	125.9	79.7
	International - incoming (min. million)	256.2	245.7	234.8	234.1	199.2	202.7	192.9	127.1	91.9
	Inbound/ outbound int'l traffic ratio	0.9	0.9	0.8	0.9	0.8	1.2	1.5	0.99	1.2
Pay TV	Pay TV subscriptions ('000s)	187.8	198.7	209.3	228.8	232.8	248.4	246.7	234.7	249.8
	Pay TV penetration	14.1	14.8	15.8	17.2	17.2	18.3	18.2	17.3	18.3
	Pay TV household penetration	54.0	48.2	52.1	57.0	58.0	61.9	61.5	58.5	62.2
	Average revenue per user (ARPU) US\$	468.6	505.5	520.8	493.2	497.7	486.8	425.2	427.5	435.4
	Pay TV subscription growth (%)	5.0	5.8	5.3	9.3	1.7	6.7	-0.6	-4.9	6.4

⁹ Total Internet subscriptions refer to the sum of fixed Internet subscriptions and mobile postpaid Internet subscriptions.

¹⁰ Fixed Internet subscriptions refer to the total number of subscriptions with fixed wired or fixed wireless Internet access.

¹¹ Mobile Internet subscriptions from 2012 to 2016 include prepaid and postpaid mobile Internet users.

¹² Fixed broadband subscriptions refer to the number of Internet subscribers with access to download speeds of 256 kbps or above.

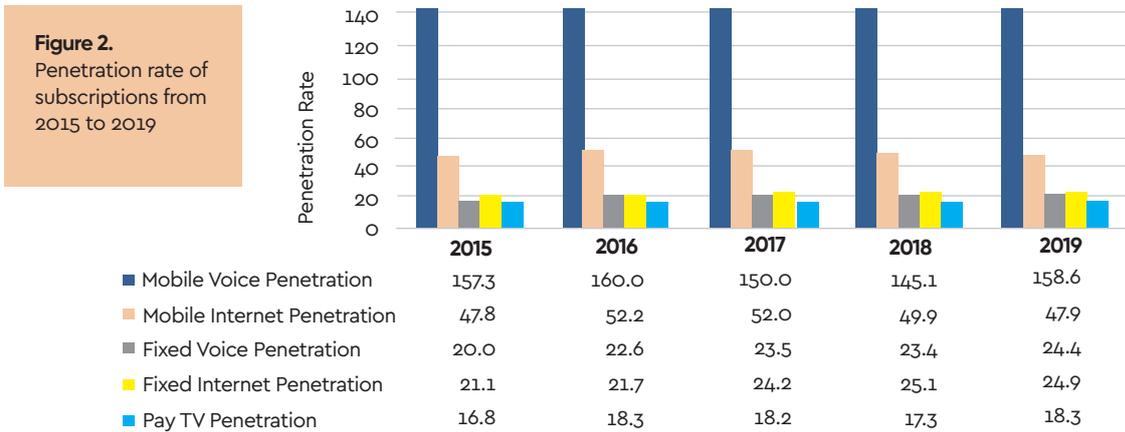
¹³ Fixed Internet users is the number of persons who regularly use fixed Internet services.

3 Overview of the Telecommunications and Broadcasting Sectors *(continued)*

3.3 Trends in Subscription Penetration as at December 2019

The subscription penetration rate is calculated as the number of subscriptions per 100 of the population. Figure 2 shows the penetration rates for all subscription-based markets from 2015 to 2019. The rates for both fixed Internet and mobile Internet services decreased from 2018, while the rates for mobile voice, fixed voice and pay-TV increased.

The fixed Internet rate decreased marginally, from approximately 25.1 out of every 100 inhabitants having a fixed Internet subscription to 24.9 out of every 100 inhabitants. The mobile Internet rate also decreased, from 49.9 in 2018 to 47.9. The mobile voice market's rate increased from 145.1 in 2018 to 158.6 in 2019, while the fixed voice markets rose from 23.4 to 24.4. The pay-TV rate increased from 17.3 in 2018 to 18.3.



3 Overview of the Telecommunications and Broadcasting Sectors (continued)

3.4 Broadcasting and Telecommunications Concessions as at September 2020

Tables 2 and 3 list the number of broadcasting and telecommunications concessions, respectively, that were authorised and operating within these markets as at September 30, 2020.

Table 2.

Broadcasting market concessions for the period September 2017-September 2020

Types of Broadcasting Concessions	September 2017	September 2018	September 2019	September 2020
Free-to-Air Television	6	5	5	5
National	5	4	4	4
Major Territorial	1	1	1	1
Subscription (Pay) Television	14	13	13	13
National	8	7	7	7
Major Territorial	1	1	1	1
Niche	4	4	4	4
Minor Territorial	1	1	1	1
TV Broadcasting via Cable	14	14	14	14
National	13	14	14	14
Major Territorial	1	-	-	-
Free-to-Air Radio	37	37	37	37
National	29	29	30	30
Major Territorial	6	6	5	5
Minor Territorial/Niche	2	2	2	2
Total	71	69	69	69

Table 3.

Telecommunications market concessions as at September 30, 2020

Types of Telecommunications Concessions	Authorised Providers September 2020	Operational Providers September 2020
Fixed Telecommunications:	19	
Fixed Telephony		6
Fixed Internet		11
International Telecommunications	7	7
Mobile Telecommunications	2	2

With reference to the fixed telephony and fixed Internet markets in Table 3, a single concession is granted for the provision of fixed telephony and/or fixed Internet services and networks. During the period under review, of

the 19 operators authorised to provide fixed domestic telecommunications services, only six concessionaires opted to provide fixed telephony services and 11 concessionaires opted to provide fixed Internet services.

4 Stakeholder Engagement Statistics

1. Consumer Complaints Handling
2. Consumer Complaints Committee
3. Broadcast Content Complaints
4. Interference Complaints
5. Licence Applications
6. Concession Applications
7. Tower Administration
8. Radiofrequency Radiation (RFR) Measurements of Cellular and Wi-Fi Sites
9. Numbering Assignment
10. Mobile Number Portability
11. Freedom of Information Act (FOIA)

The statistics in the following sections give details of the work of the Authority in each of the above categories for the financial year under review.

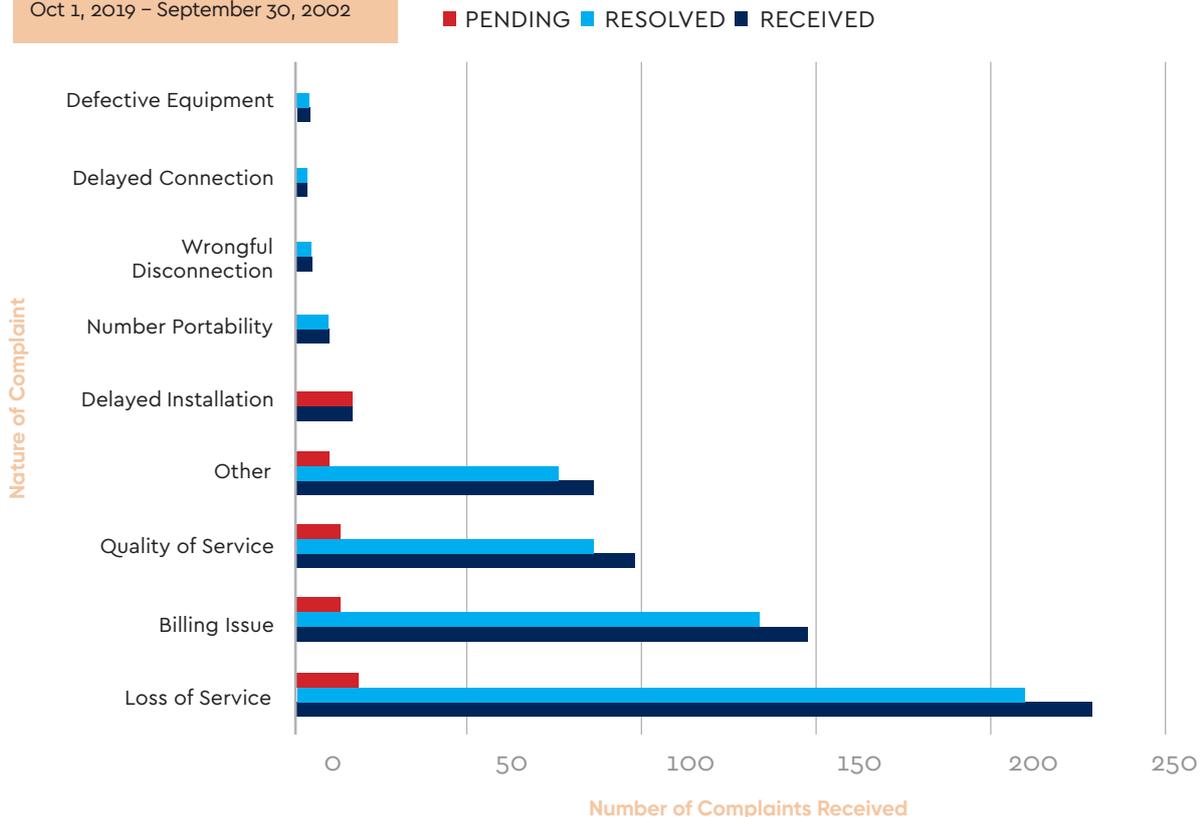
4.1 Consumer Complaints Handling

During the reporting period, a total of 598 valid consumer complaints were received. Of this total, approximately 542 complaints (90.6%) were resolved. There are 56 complaints still being investigated, most of which were submitted during the last quarter of the

financial year, and these are expected to be resolved early in the next financial year. Most of the complaints received — approximately 37.9% — related to loss of service. The type and status of the complaints are shown in Figure 3.

Of the total complaints received, fixed-line accounted for the majority, with 326 complaints (54.5%). This was followed by Internet, with 163 complaints (27.2%). Complaints related to mobile and pay-TV services were next, accounting for 80 complaints (13.3%) and 29 complaints (4.8%), respectively.

Figure 3.
Consumer complaints handling from Oct 1, 2019 – September 30, 2022



4 Stakeholder Engagement Statistics (continued)

4.2 Consumer Complaints Committee

The Consumer Complaints Committee (CCC) was established in May 2008, in accordance with section 18(q) of the Act, and is responsible for deciding on complaints that have not been resolved at the operational level.

The CCC met on two occasions during the financial year under review. One of these meetings was held with a service provider and discussions centred on consumer-related matters, such as:

- automatic rebates for service disruption.
- the issuance of contracts to persons applying for services online or over the telephone.
- Fair Usage Policy and the consumer's right to be fully informed.
- the publication of mobile rates and packages on service providers' websites.
- the provision of a minimum of 18 hours of operator service per day for customer care and general assistance.

- the submission to the Authority of quarterly consumer complaints reports by the service providers.
- the plans for mobile service coverage in remote and rural areas.

No complaints were brought before the CCC during the review period.

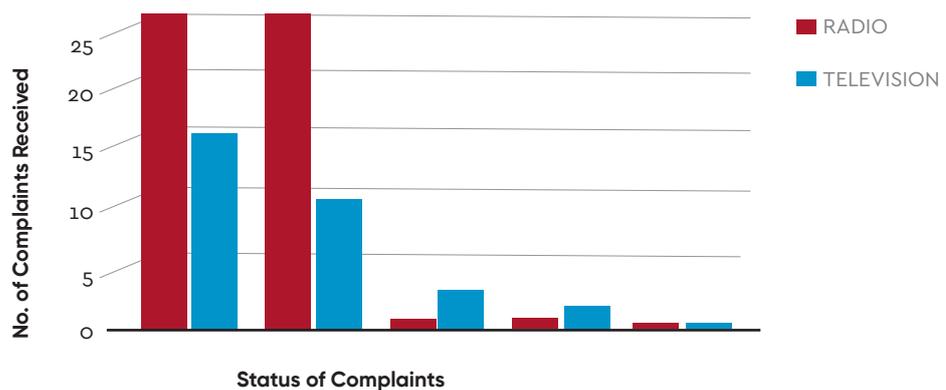
4.3 Broadcast Content Complaints

The Authority receives complaints regarding both FTA radio and television broadcast content. As shown in Table 4 and Figure 4, during the financial year under review, 39 broadcast content complaints were submitted, of which 34 were resolved. Of the other five complaints, three are currently being investigated by the Authority and are expected to be resolved in the new financial year. The other two complaints were unresolved due to the significant lapse of time between the broadcast date and the complaint date, which made it difficult for the Authority to retrieve the relevant recordings.

Table 4.
Broadcast complaints as at September 30, 2020

Type of Complaint	Received	Resolved	Pending	Unresolved	Withdrawn
Radio	24	24	0	0	0
Television	15	10	3	2	0
Total	39	34	3	2	0

Figure 4.
Broadcast content complaints from October 1, 2019 – September 30, 2020



4 Stakeholder Engagement Statistics (continued)

4.4 Interference Complaints

Under section 18(l) of the Act, the Authority is mandated to investigate and resolve all allegations of harmful interference and to issue "cease or modify" orders to those causing the interference.

In all instances, the Authority evaluates such complaints in accordance with its complaints process. First, the existence of the harmful interference is verified. Once the interference has been confirmed, the Authority proceeds to investigate the external source, based on consideration of the nature of the service, the severity of the interference, the impact on the authorised user(s), and any action taken by the licensee to resolve the problem. Based on the Authority's findings, the necessary action is then taken to resolve the complaint.

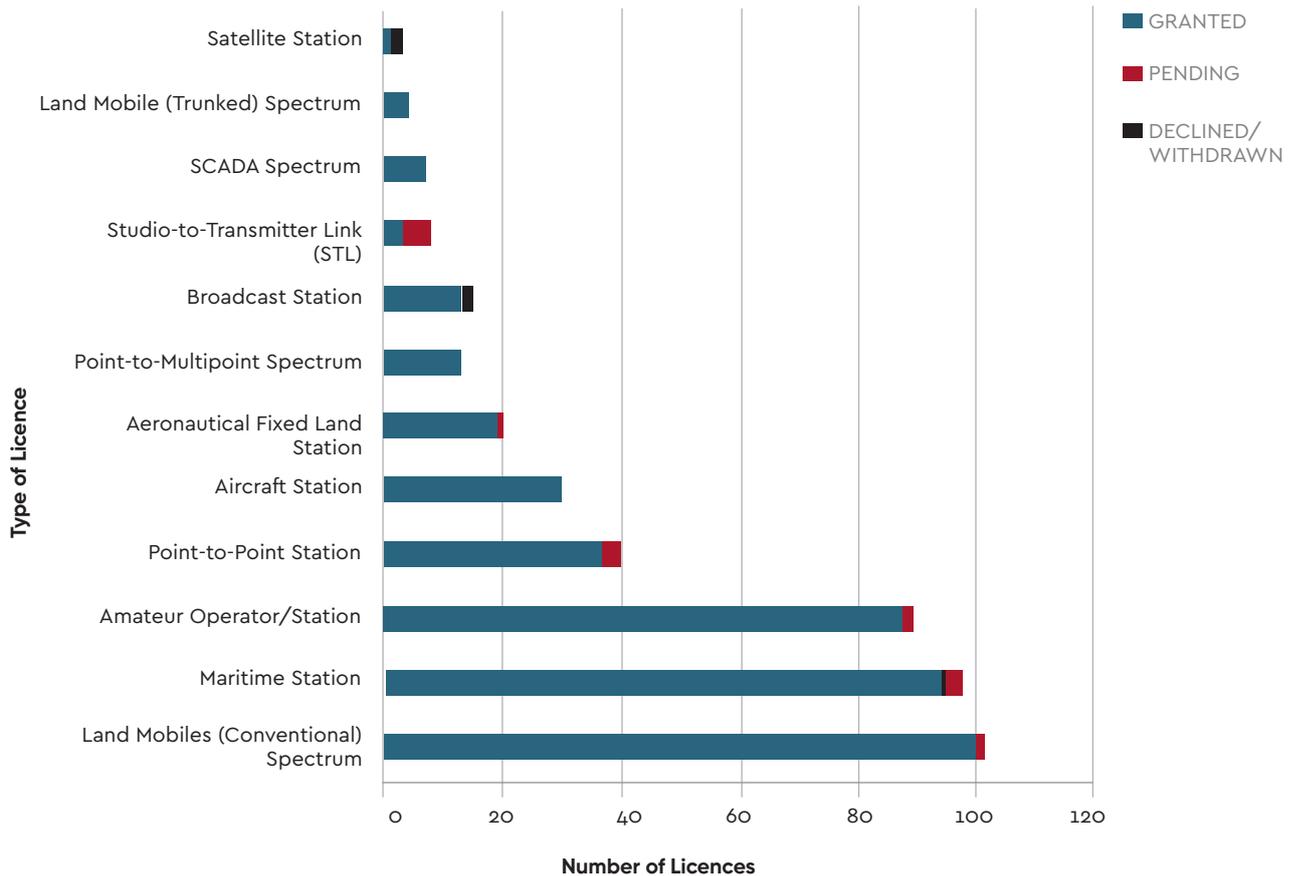
For the financial year 2019 - 2020, the Authority received seven complaints regarding harmful interference, all of which were telecommunications related. Five complaints were resolved within the period under review, one complaint was pending the outcome of an investigation and the other was deemed to be invalid.

4.5 Licence Applications

During the 2019 financial year, 409 licence applications were granted and nine were either declined or withdrawn. At the end of the financial period, 12 applications, most of which were submitted during the last quarter of the year, were pending approval.

Figure 5 illustrates the number and types of licence applications that were either granted, declined/withdrawn or pending approval during the period.

Figure 5.
Status of licence applications as at September 30, 2020



4 Stakeholder Engagement Statistics (continued)

4.6 Concession Applications

The granting of concessions to existing and potential service providers is done in accordance with the Authority's *Authorisation Framework for the Telecommunications and Broadcasting Sectors of Trinidad and Tobago*.

Table 5 shows the status of concession applications as at the end of the financial year, i.e., applications brought forward from the previous financial year, those received in the current year, applications which were approved and those which were pending.

Table 5.
Concession applications as at September 30, 2020

APPLICATION TYPE	APPLICATIONS BROUGHT FORWARD		APPLICATIONS RECEIVED 2019 – 2020		APPLICATIONS APPROVED	APPLICATIONS PENDING	APPLICATIONS REJECTED
	New	Re-newal	New	Renewal			
International Telecommunications	2	1	-	-	1	1	1
FTA Radio	-	1	-	-	1	-	-
FTA Television	-	2	-	-	1	1	-
Mobile Telecommunications	-	-	-	-	-	-	-
Subscription Television Broadcasting	2	1	-	1	1	1	2
Television Broadcasting Service via Cable	-	-	1	-	-	1	-
Fixed Telecommunications	2	2	-	4	6	1	1
SUB-TOTAL	6	7	1	5	10	5	4
TOTAL	13		6		19		

Thirteen concession applications were brought forward from the previous financial year. One new and five renewal applications were received during the period under review. As

at the end of the financial year, 10 concession applications were approved, five applications were pending approval and four applications were rejected.

4 Stakeholder Engagement Statistics (continued)

4.7 Tower Administration

Tower administration is the process by which the Authority approves the location of new towers or recommends co-location on existing towers between service providers, usually to provide mobile telecommunications services. Service providers are required to apply to the Authority for tower non-objection, and their applications are assessed to ensure they meet the criteria for co-location of sites, i.e., the distance between towers and the feasibility of co-location.

Four non-objection applications were received by the Authority, all of which were approved. A summary of the tower administration activity over the period 2019 – 2020 is given below:

- Digicel (Trinidad & Tobago) Limited — 2 applications
- Trinidad and Tobago Electricity Commission — 1 application
- TSTT — 1 application

4.8 Radiofrequency Radiation (RFR) Measurements of Cellular and Wi-Fi Sites

During the period under review, the measuring of RFR was halted following the outbreak of COVID-19. With the implementation of several government-imposed restrictions, the Authority was unable to conduct the relevant fieldwork. As a result, 208 RFR measurements scheduled for the third and fourth quarters of the financial period were deferred to the new financial year 2020 – 2021.

4.9 Numbering Assignment

Central Office (CO) codes are assigned by the Authority to operators of both fixed and mobile telephone networks. The CO codes are three digits in length and usually identify the operator and the switching office providing the service to the customer.

For the period 2019 – 2020, the Authority issued three fixed CO codes to Columbus Communications Trinidad Limited and three mobile CO codes to Digicel (Trinidad & Tobago) Limited.

4.10 Mobile Number Portability

Mobile number portability commenced in Trinidad and Tobago on October 31, 2016. During the period under review, a total of 16,575 mobile numbers were ported between the two mobile operators, namely, Digicel (Trinidad & Tobago) Limited and TSTT.

4.11 Freedom of Information Act (FOIA)

The Freedom of Information Act (FOIA) gives members of the public a general right (with exceptions) to access the official documents of public authorities. During the financial year, the Authority received two requests, both of which were fulfilled.

5 Financial Performance

The Authority generates its own revenues, sourced primarily from concession and licence fees levied on all service providers within the telecommunications and broadcasting sectors. These funds are used to finance the operations of the Authority as it delivers on its mandate.

Pursuant to sections 56 and 57 of the Act, the Authority prepares financial statements in accordance with International Financial Reporting Standards, which are Generally Accepted Accounting Principles (GAAPs) adopted in Trinidad and Tobago and subject to an annual audit. Included in this report are the unaudited financial statements for the financial year ended September 30, 2020.

The Authority received gross revenues of TT\$84,319,374 during the financial year 2019/2020 — a decrease of approximately 1.2% from the previous year. Of this amount, concession and licence fees generated revenues of TT\$29,349,594 and TT\$54,440,221, respectively.

The Authority's operating expenditure for the year amounted to TT\$51,240,764. This represents a decrease of approximately 6.2% over the previous year's expenditure of TT\$54,620,686. As expected, due to the nature of the Authority's work, staff costs continued to be the largest expense, accounting for approximately 62.8% of the Authority's total expenditure. Capital expenditure for the year amounted to TT\$1,039,188.

The surplus for the year 2019/2020 is TT\$33,078,609.

The Authority's receivables of TT\$19,926,039 represent an increase of approximately 56.1% over the previous year. Accounts payables and accruals decreased by approximately 7.2% over the financial year, to record TT\$4,793,574.

A cash balance of TT\$111,237,209 exists in the USF. With the coming into force of the Regulations, USF contributions will be used to fund several key initiatives geared towards bridging the gap between those who have basic telecommunications services in Trinidad and Tobago and those who do not.

During the period under review, the Authority implemented the following three mandatory universal service initiatives:

- phase 2 of the National Free Wi-Fi Initiative (TTWiFi)
- the provision of subsidised mobile devices with assistive technologies for the visually and/or hearing impaired
- the provision of ICT-enabled devices with Internet connectivity access for students in Trinidad and Tobago

The Authority also initiated work on its fourth USF project, which involves the provision of broadband Internet access to two underserved areas in Trinidad and Tobago.



financial report



ANNUAL
REPORT
2020

Statement of management's responsibilities

It is the responsibility of management to prepare financial statements for each financial year which present fairly, in all material respects, the state of affairs of the Telecommunications Authority of Trinidad and Tobago (the 'Authority') as at the end of the financial year and the operating results of the Authority for the year. It also requires management to ensure that the Authority keeps proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Authority. They are also responsible for safeguarding the assets of the Authority.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards ('IFRS'). This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Management accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with IFRS. Management is of the opinion that the financial statements present fairly, in all material respects, the state of the financial affairs of the Authority and its operating results. Management further accepts responsibility for the maintenance of accounting records, which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of Management to indicate that the Authority will not remain a going concern for at least the next twelve months from the date of this statement.



Gilbert Peterson, S.C.
Chairman

July 5, 2021



Cynthia Reddock-Downes
Chief Executive Officer

July 5, 2021

TELECOMMUNICATIONS AUTHORITY OF TRINIDAD AND TOBAGO

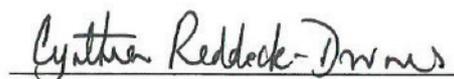
Statement of financial position as of September 30, 2020

(Expressed in Trinidad and Tobago dollars)

	Notes	Sep 30, 2020 \$	Sep 30, 2019 \$
ASSETS			
Non-current assets			
Plant and Equipment	6	11,895,714	14,007,074
Right of Use Assets	7	2,822,488	0
Total non-current assets		14,718,202	14,007,074
Current assets			
Receivables	8	19,926,039	12,763,550
Universal Services Fund Contribution Receivable	8	46,025,758	48,187,479
Cash and Bank Balance	9a	18,319,641	30,208,585
Cash and Bank Balance – Universal Services Fund	9b	111,237,209	120,886,674
Total current assets		195,508,647	212,046,288
Total assets		210,226,849	226,053,362
LIABILITIES & RESERVES			
Reserves			
Reserves : Universal Service Fund	10	157,241,947	169,074,153
Total reserves		157,241,947	169,074,153
Non-current liabilities			
Deferred Income	11	95,220	131,766
Lease Liability – Right of Use Asset	12	0	0
Total non-current liabilities		95,220	131,766
Current Liabilities			
Accounts Payable and Accruals	13	4,793,574	5,164,604
Lease Liability – Right of Use Asset	12	2,911,978	0
Universal Service Fund Contribution Payable	13	21,019	0
Due to consolidated Fund		45,163,110	51,682,839
Total Current Liabilities		52,889,681	56,847,443
Total Liabilities and reserves		210,226,849	226,053,362



Gilbert Peterson, S.C.
Chairman
July 5, 2021



Cynthia Reddock-Downes
Chief Executive Officer
July 5, 2021

The notes on pages 41 to 59 form an integral part of these financial statements.

TELECOMMUNICATIONS AUTHORITY OF TRINIDAD AND TOBAGO

Statement of profit or loss and other comprehensive income for the year

(Expressed in Trinidad and Tobago dollars)

	Notes	Sep 30, 2020 \$	Sep 30, 2019 \$
Income			
Concession Fees		29,349,594	30,257,020
Licence Fees		54,440,221	54,215,420
Bank Interest		184	329
Other Income		492,830	859,964
Amortization of Deferred Income	11	36,545	40,838
Total Income		84,319,374	85,373,571
Expenses			
Communications, Marketing & Policy Expenses	14	2,609,991	3,507,565
Fees-Legal & Professional	15	1,812,154	2,398,708
Training	16	935,479	3,371,028
Utilities		1,138,468	1,098,529
Rent/Lease Expenses		248,320	3,832,006
Staff Costs	17	32,195,361	30,915,527
Repairs and Maintenance		543,577	548,702
Other Administrative Costs	18	5,104,484	5,163,159
Interest Expense		150,406	0
Depreciation	19	6,502,524	3,785,461
Total Expenses		51,240,764	54,620,686
Surplus for the year		33,078,610	30,752,885

The notes on pages 41 to 59 form an integral part of these financial statements.

TELECOMMUNICATIONS AUTHORITY OF TRINIDAD AND TOBAGO

Statement of changes in amount due to consolidated fund for the year

(Expressed in Trinidad and Tobago dollars)

	Sep 30, 2020	Sep 30, 2019
	\$	\$
Amount due to Consolidated Fund brought forward from the previous period	51,682,839	49,873,613
Effect of change in Accounting Policy for initial application of IFRS 16	(97,282)	0
Payment to Consolidated Fund during the year	(39,501,057)	(28,943,659)
Outstanding amount brought forward	12,084,500	20,929,954
Net surplus for the current year	33,078,610	30,752,885
Net amount due to Consolidated Fund at the end of the year	<u>45,163,110</u>	<u>51,682,839</u>

The notes on pages 41 to 59 form an integral part of these financial statements.

TELECOMMUNICATIONS AUTHORITY OF TRINIDAD AND TOBAGO

Statement of cash flows for the year

(Expressed in Trinidad and Tobago dollars)

	Sep 30, 2020	Sep 30, 2019
	\$	\$
Cash flow from operating activities		
Net surplus for the year	33,078,610	30,752,885
Adjustment for non-cash Items:		
Amortization of deferred income	(36,545)	(40,838)
Interest expense	150,406	0
Depreciation	6,502,524	3,785,461
Gain on disposal of asset	35,010	0
	<u>39,730,004</u>	<u>34,497,509</u>
Changes in		
Decrease/(Increase) in receivables	(7,162,489)	(4,013,180)
(Decrease)/Increase in accounts payable and accruals	(371,030)	1,239,323
Reserves – Universal Service Fund	(9,649,465)	193,401
Net cash generated from operating activities	<u>22,547,020</u>	<u>31,917,052</u>
Cash flow from investing activities		
Acquisition of plant and equipment	(1,039,188)	(3,106,600)
Adjustment to fixed assets cost	0	75
Net cash used in investing activities	<u>(1,039,188)</u>	<u>(3,106,525)</u>
Cash flow from financing activities		
Amount paid to Consolidated Fund	(39,501,057)	(28,943,659)
Interest paid	(150,406)	0
Repayment of lease liabilities	(3,394,778)	0
Net cash used in financing activities	<u>(43,046,241)</u>	<u>(28,943,659)</u>
Net increase/(decrease) in cash and cash equivalents	<u>(21,538,409)</u>	<u>(133,133)</u>
Cash and cash equivalents at start of period	151,095,258	151,228,390
Cash and cash equivalents at end of period	<u>129,556,850</u>	<u>151,095,258</u>

The notes on pages 41 to 59 form an integral part of these financial statements.

TELECOMMUNICATIONS AUTHORITY OF TRINIDAD AND TOBAGO

Notes to the financial statements

For the year ended September 30, 2020
(Expressed in Trinidad and Tobago dollars)

1. Principal activities

The Telecommunications Authority of Trinidad and Tobago (the 'Authority') is an independent regulatory body, established by the Telecommunications Act (the 'Act') Chapter 47:31. The Authority is charged with the responsibility for the regulation of the telecommunications and broadcasting sectors.

The Authority's mandate includes recommendations to the Minister for the granting of Concessions, the granting of Spectrum Licences and the collection of related fees, the determination of Universal Service obligations throughout Trinidad and Tobago, the establishment of National Telecommunications Industry Standards and Technical Standards, Price Regulation and Consumer Protection.

The Authority became operational on July 1, 2004.

The Authority is located at # 5 Eighth Avenue Extension, off Twelfth Street, Barataria, Trinidad.

The Authority reports to the Ministry of Public Administration and Digital Transformation.

2. Adoption of new and revised International Financial Reporting Standards

In the current year, the Authority applied IFRS 16 – Leases (as issued by the IASB in January 2016) that is effective for annual periods that begin on or after 1 January 2019. IFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets when such recognition exemptions are adopted. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. Details of these new requirements are described in Note 3.

A number of other new standards are also effective from 1 October 2019, but they do not have a material effect on the Authority's financial statements.

(a) Impact of initial application of IFRS 16 Leases

The Authority applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in Due to Consolidated Fund at 1 October 2019. Accordingly, the comparative information presented for 2019 is not restated – i.e., it is presented, as previously reported, under IAS 17 and related interpretations. The details of the changes in accounting policies are disclosed below. Additionally, the disclosure requirements in IFRS 16 have not generally been applied to comparative information.

Definition of a lease

Previously, the Authority determined at contract inception whether an arrangement was or contained a lease under IFRIC 4 Determining whether an Arrangement contains a Lease. The Authority now assesses whether a contract is or contains a lease based on the definition of a lease, as explained.

On transition to IFRS 16, the Authority elected to apply the practical expedient to grandfather the assessment of which transactions are leases. The Authority applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed for whether there is a lease under IFRS 16. Therefore, the definition of a lease under IFRS 16 was applied only to contracts entered into or changed on or after 1 October 2019.

Notes to the financial statements

For the year ended September 30, 2020

(Expressed in Trinidad and Tobago dollars)

2. Adoption of new and revised International Financial Reporting Standards (continued)

As a lessee

As a lessee, the Authority leases its Head Office. The Authority previously classified this lease as operating based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Authority. Under IFRS 16, the Authority recognises right-of-use to this asset- i.e., this lease is on-balance sheet.

At commencement or on modification of a contract that contains a lease component, the Authority allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price. However, for leases of property the Authority has elected not to separate non-lease components and account for the lease and associated non-lease components as a single lease component.

Impact on financial statements on transition

On transition to IFRS 16, the Authority recognised additional right-of-use assets, recognising the difference in Due to Consolidated Fund. When measuring lease liabilities for leases that were classified as operating leases, the Authority discounted lease payments using its incremental borrowing rate at 1 October 2019. The rate applied is 3.16%.

The impact on transition is summarised below.

1 October 2019

Right-of-use assets – property, plant and equipment	6,209,474
Lease liabilities	6,306,757
Due to consolidated	(97,282)

(b) Standards and Interpretations adopted with no effect on financial statements

The Authority has adopted the following new standards and interpretations which had no effect on the financial statements and which were effective for annual periods beginning or after January 1, 2019.

- IFRIC Interpretation 23 Uncertainty over Income Tax Treatments
- Prepayment Features with Negative Compensation – Amendments to IFRS 9
- Long-term Interests in Associates and Joint Ventures – Amendments to IAS 28
- Plan Amendment, Curtailment or Settlement – Amendments to IAS 19
- AIP IFRS 3 Business Combinations – Previously held interests in a joint operation
- AIP IFRS 11 Joint Arrangements – Previously held interests in a joint operation
- AIP IAS 12 Income Taxes – income tax consequences of payments on financial instruments classified as equity
- AIP IAS 23 Borrowing Costs – Borrowing costs eligible for capitalisation

TELECOMMUNICATIONS AUTHORITY OF TRINIDAD AND TOBAGO

Notes to the financial statements

For the year ended September 30, 2020

(Expressed in Trinidad and Tobago dollars)

2. Adoption of new and revised International Financial Reporting Standards (continued)**(c) Standards and Interpretations in issue not yet adopted, which may have an impact on the Authority's financial statements**

The Authority has not applied the following new and revised IFRS that have been issued but are not yet effective:

- Definition of Material – Amendment to IAS 1 and IAS 8³

- **Definition of Material – Amendment to IAS 1 and IAS 8³**

In October 2018 the IASB issued amendments to IAS 1 and IAS 8 to align the definition of "material" across the standards and to clarify certain aspects of the standard.

Old definition: Omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions that users make on the basis of the financial statements (IAS 1 Presentation of Financial Statements).

New definition: Information is material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

The management of the Authority do not anticipate that the application of these amendments will have a significant impact on the Authority's financial statements.

(d) Standards and Interpretations in issue, which will not have an impact on the Authority's financial statements

The following new and revised IFRS that have been issued but are not yet effective and will not have any impact of the financial statements of the Authority:

- Definition of a Business – Amendment to IFRS 3¹
- Interest Rate Benchmark Reform – Amendments to IFRS 9, IAS 39 and IFRS 7
- The Conceptual Framework for Financial Reporting¹
- IFRS 17 Insurance Contracts²
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendment to IFRS 10 and IAS 28³

AIP – Annual IFRS Improvement Process

¹ Effective for annual periods beginning on or after January 1, 2020, with earlier application permitted.

² Effective for annual periods beginning on or after January 1, 2021, with earlier application permitted.

³ In December 2015, the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting.

Notes to the financial statements

For the year ended September 30, 2020

(Expressed in Trinidad and Tobago dollars)

3. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS'). The financial statements have been prepared under the historical cost convention.

The preparation of these financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Authority's policies.

a) Foreign currency translation

i) Functional and presentation currency

Items included in the financial statements of the Authority are measured using the currency of the primary economic environment in which the Authority operates ('the functional currency'). The financial statements are presented in Trinidad and Tobago dollars, which is the Authority's functional and presentation currency.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss.

b) Revenue recognition

The following table indicates how the Authority has applied IFRS 15's five-step process to recognise revenue in its Financial Statement.

TELECOMMUNICATIONS AUTHORITY OF TRINIDAD AND TOBAGO

Notes to the financial statements

For the year ended September 30, 2020
(Expressed in Trinidad and Tobago dollars)

3. Summary of significant accounting policies (continued)
b) Revenue recognition (continued)

IFRS 15 – Recognition Steps	Authority's Approach
1. Identify the contract with the customer	The majority of the Authority Revenue is derived from fees for – Concessions – Licenses
2. Identify the performance obligations in the contract	The Authority allows the Concessionaire/ Licensee to operate and utilise Spectrum under the terms and conditions specified in its relevant Concession/License.
3. Determine the transaction price;	Fees are established under the Telecommunication (Fees) Regulations, 2006
4. Allocate the transaction price to the performance obligations in the contracts;	Allocation of Fees are also specified under the Telecommunication (Fees) Regulation, 2006.
5. Recognise revenue when (or as) the entity satisfies a performance obligation	<p>Application Fees are recognised when the Concession/License has been processed.</p> <p>Due to invoicing guidelines set forth in the Telecommunication (Fees) Regulation 2006 Sections 3 (2), 7 (1), 11 (2) and 12 (1) Concession / License Fees are recognised when invoiced.</p> <p>Interest income is recognised as it accrues, unless collectability is in doubt.</p> <p>Income is also recognised from receipt of Government grants. See note 3(d) for Government grants.</p> <p>In the event that a material invoice is not prepared at the Authority's year end and accrual for the revenue is made.</p>

Notes to the financial statements

For the year ended September 30, 2020

(Expressed in Trinidad and Tobago dollars)

3. Summary of significant accounting policies (continued)

c) Plant and equipment

All plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items of plant and equipment. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Authority and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit or loss during the financial period in which they are incurred.

Plant and equipment are depreciated on the reducing balance basis at rates estimated to write off the cost of fixed assets over their useful lives. Current rates of depreciation are as follows:

Fixtures and fittings	20%
Computer equipment and software	25%
Office furniture and equipment	20%
Motor vehicles	25%
Telecommunication equipment and related software	25%

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of profit or loss.

d) Government grants

Government grants related to fixed assets are deferred in the statement of financial position and amortised over the estimated useful lives of the assets to which it relates.

e) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks.

f) Receivables

Trade receivables are carried at original invoice amount less an allowance made for impairment of these receivables. The allowance for impairment of trade receivables is established based on a review of all outstanding amounts at the year-end. Bad debts are written off during the year in which they are identified.

g) Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

TELECOMMUNICATIONS AUTHORITY OF TRINIDAD AND TOBAGO

Notes to the financial statements

For the year ended September 30, 2020
(Expressed in Trinidad and Tobago dollars)

3. Summary of significant accounting policies (continued)**h) Provisions**

Provisions are recognised when the Authority has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate of the amount of the obligation can be made.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

i) Reserves*Universal Service Fund*

In accordance with the Telecommunications Act (2001) Section 28 (3), the Board approves the appropriation of reserves to the Universal Service Fund. Section 53(3) of the Act restricts the use of these funds to the provision of Universal Service.

Consolidated Fund

In accordance with the Telecommunications Act (2001) Section 53 (7), "At the end of each financial year, any surplus of funds remaining in the account opened in accordance with subsection (5), after defraying the expenditure referred to in subsection (2), shall be paid into the Consolidated Fund".

j) Financial assets*Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the statement of financial position date, which are classified as non-current assets.

k) Impairment of financial assets

The carrying amounts of the Authority's assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss.

i) Calculation of recoverable amount

The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

ii) Reversals of impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

Notes to the financial statements

For the year ended September 30, 2020

(Expressed in Trinidad and Tobago dollars)

3. Summary of significant accounting policies (continued)

k) Impairment of financial assets (continued)

ii Reversals of impairment (continued)

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

l) Taxation

Pursuant to section 54 of the Telecommunications Act, the Authority is exempt from income tax.

m) Leases

The Authority has applied IFRS 16 using the modified retrospective approach and therefore comparative information has not been restated and is presented under IAS 17. The details of accounting policies under both IAS 17 and IFRS 16 are presented separately below.

Policies applicable from 1 October 2019

The Authority assesses whether a contract is or contains a lease, at inception of the contract. The Authority recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Authority recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Authority uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

TELECOMMUNICATIONS AUTHORITY OF TRINIDAD AND TOBAGO

Notes to the financial statements

For the year ended September 30, 2020

(Expressed in Trinidad and Tobago dollars)

3. Summary of significant accounting policies (continued)**m) Leases (continued)*****Policies applicable from 1 October 2019 (continued)***

The Authority remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Authority did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Authority expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Authority applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy (not part of this Appendix). Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset.

Policies applicable prior to 1 October 2019

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of profit or loss over the period of the lease.

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

Notes to the financial statements

For the year ended September 30, 2020

(Expressed in Trinidad and Tobago dollars)

3. Summary of significant accounting policies (continued)

n) Comparatives

Where necessary comparative figures have been adjusted to conform to changes in presentation in the current year.

4. Critical accounting estimates and judgements

In the application of the Authority's accounting policies, which are described in note 3, management of the Authority are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates. Key sources of uncertainty, which require the use of estimates, include:

Useful lives and residual values of plant and equipment

The estimates of useful lives as translated into depreciation rates are detailed in the plant and equipment policy above. These rates and the residual lives of the assets are reviewed annually taking cognisance of the forecasted commercial and economic realities and through benchmarking of accounting treatments within the industry.

Contingent liabilities

Management applies its judgement to the facts and advice it receives from its attorneys, advocates and other advisors in assessing if an obligation is probable, more likely than not, or remote. Such judgement is used to determine if the obligation is recognised as a liability or disclosed as a contingent liability.

5. Financial risk management

a) *Market risk*

The Authority's activities do not expose it to any significant market risks (including currency risk, fair value interest rate and price risk).

i) Cash flow and fair value interest rate risk

As the Authority has no significant interest-bearing assets, the Authority's income and operating cash flows are substantially independent of changes in market interest rates. The Authority does not own any investments.

ii) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The majority of the financial instruments of the Authority are denominated in Trinidad and Tobago dollars, thus, the risk to the Authority is considered minimal.

b) *Credit risk*

Credit risk arises from cash and cash equivalents as well as credit exposures to customers for outstanding receivables. The Authority does not have significant credit risk exposure to any single third-party counterparty or any group of counterparties having similar characteristics. The Authority defines counterparties as having similar characteristics if they are related entities.

Credit risk also arises from cash and deposits with banks and financial institutions. For banks and financial institutions, only those with good standing and with a sound reputation are used.

TELECOMMUNICATIONS AUTHORITY OF TRINIDAD AND TOBAGO

Notes to the financial statements

For the year ended September 30, 2020

(Expressed in Trinidad and Tobago dollars)

5. Financial risk management (continued)

c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash to meet all financial obligations as they become due.

The table below analyses the Authority's financial liabilities based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 1 year equal their carrying balances, as the impact of discounting is not significant.

	<u>Sep 30, 2020</u>	<u>Sep 30, 2019</u>
	\$	\$
Accounts Payables and Accruals		
Less than 1 Year	4,793,574	5,164,604

TELECOMMUNICATIONS AUTHORITY OF TRINIDAD AND TOBAGO

Notes to the financial statements

For the year ended September 30, 2020

(Expressed in Trinidad and Tobago dollars)

6. Plant and equipment	Cost	Telecommunication Equipment and Related Software					Computer Equipment and Software	Office Furniture and Equipment	Motor Vehicle	Fixture and Fittings	Work in Progress	Total Plant and Equipment
		Equipment and Related Software	Equipment and Software	Equipment and Software	Equipment and Software	Equipment and Software						
At October 1, 2018	\$ 24,864,246	\$ 13,493,671	\$ 4,229,985	\$ 1,716,566	\$ 257,434	\$ 606,734	\$ 45,168,636					
Additions for the period	0	1,775,284	196,761	0	0	1,134,554	3,106,600					
Adjustment for the period	0	(75)	0	0	0	0	(75)					
Transferred Assets	0	252,926	66,000	0	0	(318,926)	(0)					
Disposals	0	0	0	0	0	0	0					
At Sep 30, 2019	24,864,246	15,521,807	4,492,746	1,716,566	257,434	1,422,363	48,275,162					
Depreciation												
At October 1, 2018	16,339,718	10,201,711	3,102,319	630,448	208,430	0	30,482,626					
Adjustment for the period	0	0	0	0	0	0	0					
Disposal of Assets	0	0	0	0	0	0	0					
Expense for the year	2,131,132	1,105,146	267,853	271,529	9,801	0	3,785,461					
At Sep 30, 2019	18,470,850	11,306,857	3,370,172	901,977	218,231	0	34,268,088					
Net Book Value at October 1, 2018	8,524,528	3,291,960	1,127,666	1,086,118	49,005	606,734	14,686,010					
Net Book Value at September 30, 2019	6,393,396	4,214,949	1,122,574	814,588	39,204	1,422,363	14,007,074					

TELECOMMUNICATIONS AUTHORITY OF TRINIDAD AND TOBAGO

Notes to the financial statements

For the year ended September 30, 2020
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7. Right-of-Use Assets

The Authority has deemed the lease for the Barataria Head Office to fall under IFRS 16 as a Right-of-Use Asset and has been accounted for as such from the start of the financial year 2019/20.

Right-of-Use Assets – Building

Cost	\$
At October 1, 2019	0
Additions for the period	0
Adjustment for the period	10,160,958
At September 30, 2020	<u>10,160,958</u>
Depreciation	
At October 1, 2019	0
Adjustment for the period	3,951,484
Charge for the period	3,386,986
At September 30, 2020	<u>7,338,470</u>
Carrying Amount at October 1, 2019	0
Carrying Amount at September 30, 2020	2,822,488
Amounts recognised in the profit and loss	
Depreciation expense on right-of-use assets	3,386,986
Interest expense on lease liabilities	150,406
Expense relating to short-term leases	248,320

	<u>Sep 30, 2020</u>	<u>Sep 30, 2019</u>
	\$	\$
8. Trade and Other Receivables		
Trade Receivables	14,687,099	9,776,400
Less Provision for Bad Debts	(2,721,085)	(4,486,153)
Trade Receivables-Net	11,966,015	5,290,247
Staff Loan	127,465	197,409
Staff Loan (M. Vehicle)	1,045,350	1,234,565
Staff Loan (Corp Mobile)	(2,802)	(6,641)
VAT Receivable	5,737,384	4,889,371
Other Receivables/Prepayments	1,052,627	1,154,594
Goods In Transit	0	4,005
	<u>19,926,039</u>	<u>12,763,550</u>
Universal Services Fund Contribution	46,025,758	48,187,479
	<u>65,951,797</u>	<u>60,951,029</u>

Included within staff loans are loans to management amounting to \$ nil (Sep 2019: \$nil).

TELECOMMUNICATIONS AUTHORITY OF TRINIDAD AND TOBAGO

Notes to the financial statements

 For the year ended September 30, 2020
 (Expressed in Trinidad and Tobago dollars)

	Sep 30, 2020	Sep 30, 2019
	\$	\$
9a. Cash and Cash Equivalents		
Cash at Bank (TT\$ Account)	18,389,970	29,748,049
Cash at Bank (US\$ Account)	(73,329)	457,536
Cash on Hand (TT\$ Account)	3,000	3,000
	18,319,641	30,208,585
9b. Cash and Cash Equivalents - Universal Services Fund		
Universal Services Fund (TT\$ Account)	111,237,209	120,886,674
	129,556,849	151,095,259

10. Reserves: Universal Service Fund

In accordance with Section 28, 53d and 53.6 of the Telecommunications Act (2001), the Authority is required to set aside funds for Universal Service obligations. Such funds are to be used exclusively for Universal Service obligations.

	Sep 30, 2020	Sep 30, 2019
	\$	\$
Due to Universal Service Fund		
Balance at October 1	120,886,674	120,693,273
Cash Inflows		193,761
Cash Outflows	(9,649,465)	(360)
Universal Service Fund - Cash and Cash Equivalents	111,237,209	120,886,674
Universal Services Fund - Receivables	46,025,758	48,187,479
Universal Services Fund - Payables	(21,019)	
Reserves - Universal Service Fund	157,241,947	169,074,153

	Sep 30, 2020	Sep 30, 2019
	\$	\$
11. Deferred income		
Government Grant relating to fixed asset at start of year	131,766	172,603
Amortization	(36,545)	(40,838)
Government Grant relating to fixed asset at year end	95,220	131,766

TELECOMMUNICATIONS AUTHORITY OF TRINIDAD AND TOBAGO

Notes to the financial statements

For the year ended September 30, 2020
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12. Lease Liability

Leasing arrangements

The Authority leases its facilities, which include executive and administrative offices which are renewed periodically. Substantially the lease provides that the lessee shall pay maintenance, insurance and certain other operating expenses applicable to the leased property. The lease also includes renewal options.

	<u>Sep 30, 2020</u>	<u>Sep 30, 2019</u>
	\$	\$
Lease Liability – Right-of-Use Asset		
Current	2,911,978	
Non Current	0	
	<u>2,911,978</u>	
Operating lease arrangements		
Lease Commitments		
No Later than 1 Year		3,545,184
Later than 1 Year		<u>2,954,320</u>
		<u>6,499,504</u>

	<u>Sep 30, 2020</u>	<u>Sep 30, 2019</u>
	\$	\$
13. Accounts Payable and Accruals		
Accounts Payable	1,240,713	799,526
Deferred Revenue	128,707	91,583
Outstanding Commitments	2,580,904	3,409,220
Other Current Liabilities	794,505	864,274
Customer Deposit	48,745	0
	<u>4,793,574</u>	<u>5,164,604</u>
Universal Services Fund Contribution Payables	21,019	0
	<u>4,814,593</u>	<u>5,164,604</u>

	<u>Sep 30, 2020</u>	<u>Sep 30, 2019</u>
	\$	\$
14. Communications, Marketing & Policy Expenses		
Promotions, publicity and printing	1,532,121	2,185,123
Official overseas travel	92,509	391,070
Hosting conferences/seminars	985,361	931,372
	<u>2,609,991</u>	<u>3,507,565</u>

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Notes to the financial statements

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15. Fees

These fees comprise mainly of legal fees incurred in compliance and enforcement, opinions from senior counsel and judicial review from the Authority's providers.

	<u>Sep 30, 2020</u>	<u>Sep 30, 2019</u>
	\$	\$
Legal and professional fees	1,031,495	1,696,391
Subscriptions and other charges	780,659	702,317
	<u>1,812,154</u>	<u>2,398,708</u>

16. Training

In accordance with Section 18(n) of the Act, the Authority is committed to continuous training of its personnel to ensure that the industry standards are in compliance with:

- i) International standards of the Telecommunications Union Convention
- ii) Testing and certifying of telecommunications equipment
- iii) Other relevant training necessary to achieve the objectives of the Act as outlined in Section 3 of the Act.

	<u>Sep 30, 2020</u>	<u>Sep 30, 2019</u>
	\$	\$
Training, registration fees	146,090	567,223
Foreign travel, per diems, airfare	789,389	2,803,805
	<u>935,479</u>	<u>3,371,028</u>

17. Staff Costs

	<u>Sep 30, 2020</u>	<u>Sep 30, 2019</u>
	\$	\$
Salaries	29,330,913	27,834,239
Directors' fees and expenses	681,134	702,448
Pension contributions	1,916,534	1,658,576
Short-term employment	173,761	567,904
Other personnel expense	93,019	152,361
	<u>32,195,361</u>	<u>30,915,527</u>

The number of employees at **Sep 30, 2020** was 105 (Sep 2019: 103).

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Notes to the financial statements

For the year ended September 30, 2020
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	Sep 30, 2020	Sep 30, 2019
	\$	\$
18. Other Administrative Costs		
Security	589,883	580,160
Janitorial services	330,829	307,367
Supplies	591,809	686,038
Other contracted services	2,642,629	3,247,563
Bad debt expenses	780,287	96,328
Other administrative costs	169,047	245,703
	5,104,484	5,163,159

	Sep 30, 2020	Sep 30, 2019
	\$	\$
19. Depreciation		
Depreciation – Plant and Equipment	3,115,538	3,785,461
Depreciation – Right of Use Assets	3,386,986	
Total Depreciation	6,502,524	3,785,461

20. Contingent liabilities and assets, commitments

Legal proceedings

The Authority is both plaintiff and defendant to several legal suits and proceedings. However, the disposition of these matters is not likely to have a materially adverse effect on its financial condition or results of operation.

21. Related party transactions

A number of transactions are entered into with related parties in the normal course of business.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial decisions.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Authority.

These transactions were carried out on commercial terms and conditions at market rates, except loans to officers.

Related party transactions and balances

Balances and transactions with related parties and key management personnel during the year were as follows:

	Sep 30, 2020	Sep 30, 2019
	\$	\$
Key Management Personnel Compensation		
Salaries, NIS and Group Health	4,388,200	4,142,982
Pension Contribution	154,888	145,092
	4,543,088	4,288,074

TELECOMMUNICATIONS AUTHORITY OF TRINIDAD AND TOBAGO

Notes to the financial statements

For the year ended September 30, 2020

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22. Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

	<u>Sep 30, 2020</u>	<u>Sep 30, 2019</u>
	\$	\$
Financial assets		
Cash and cash equivalents	129,556,849	151,095,259
Receivables (Note 8)	14,687,099	9,776,400
	<u>144,243,949</u>	<u>160,871,659</u>
Other financial liabilities		
Payables held at amortised cost	4,793,574	5,164,604
	<u>4,793,574</u>	<u>5,164,604</u>

23. Events after the reporting date

No significant events occurred after the reporting date affecting the financial performance, position or changes therein for the reporting year presented in these annual financial statements.

Notes
