

INFORMATION & COMMUNICATION TECHNOLOGIES AUTHORITY

Secure Communication for all

Report for the I8 months ended December 2010



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CHAIRPERSON'S Review

2009 has been a very fulfilling year for the regulator. Greater synergy with various stakeholders, including the Ministry of ICT, led to more clarity and push in policy formulation so vital for the ICT Sector.

Trilock Dwarka Chairman

Across the world, the consumer or end user is often placed in the context of a consumer revolution

By the time, this Annual Report will be published, there will be yet newer facts and figures concerning ICTs in Mauritius as well as our regulatory framework in particular, that will have emerged, given relentless progress in our sector. Our website which shall be revamped in February 2010 shall be one way to address this constant need of upgrading our knowledge of a sector where the latest regulatory information has to be made available in a timely manner. Given the commitment of our government to provide stakeholders in this sector with the opportunity to develop it into the fifth pillar of our economy, we should be able, in fact, at any given time, to provide the necessary information kit to prospective investors to assess our market dynamics.

2009 might have been a tumultuous year globally. The attempt by the ICTA to encapsulate the achievements of the past year in one single document is linked to our obligations under the law but also to this perception of having completed a most memorable year where the Authority has been able to rededicate itself to its work in a climate of renewed trust and enthusiasm. One of the flagships of 2009 of the ICTA has been the organization of the Digital Migration Forum, held under the aegis of CRASA, pursuant to a mandate from SADC ICT Ministers. This Forum had the historical task of defining the road map for Digital Migration within the region and delegates learnt a lot from the Mauritian DTT experience, a process which started well before the ITU arrangements came into force.

Another very important feature of ICTA's work concerned the establishment of equipment identity registers (EIRs) among operators. EIRs are used to block mobiles that are reported stolen using your phone's unique IMEI number. A media campaign was organised to create more awareness around the phenomenon of mobile theft.

The ICTA also played host to Justice Rajesh Tandon, Chairperson of the Cyber Appellate Tribunal of India. This was an opportunity for us to assess ways of tackling cybercrimes through legislation and to reflect on such issues as obscenity and on provisions concerning gender-sensitive legislation against harmful sites and/or contents on the Internet. We shall take forward in 2010 the issue of the Universal Service Fund to further bridge the digital divide and democratize access to information, to tackle fraud in telecommunications, to promote 8-digit numbering with a view to ushering in number portability, to establish more secure communications in Mauritius and to ensure optimal performance of the regulator by continuing to monitor the ICT sector in the interest of both operators and consumers.

We are alive, at the ICTA, to the fact that our sector is not only an industry in its own right but also a vital support for almost all industries that contribute to the national wealth. Conscious of the critical importance of ICTs, the Authority will invest more in capacity building in the future to make for a more robust, professional, confident and vigilant regulator.

On behalf of the ICTA Board, I would like to express my appreciation to the Executive Director and his staff for producing this Annual Report as we look forward, together, to an even more fulfilling year.

Trilock Dwarka Chairman



Dr M. K. Oolun Executive Director

"Many thanks for your kind cooperation... We received prompt action... afterwards my email and Internet service is in order... Many thanks for your consideration"

EXECUTIVE DIRECTOR'S REPORT

Lower prices are of course no consequence if quality of service does not bear up

"I wish to inform you that the landline phone has finally been connected... I take this opportunity to thank you and your staff...."

"Many thanks for your kind cooperation... We received prompt action... afterwards my email and Internet service is in order... Many thanks for your consideration"

These are a couple of testimonials that our Marketing and Communication team received during the said year. Messages of this kind help remind us that ICTA also exists to further the interests of consumers. This is at the very heart of the ICT Act, which defines our statutory objects and functions.

Integrating consumers' interests in our work

Protecting consumers

One important area of ICTA's work is protecting consumers from harm. To support

consumers in making an informed choice, the Authority has set up during this year a Consumer Support Desk; the consumer complaints mechanism was reviewed; a Consumer Protection Workshop was held; the Authority's website was redesigned to keep up with the information needs of its stakeholders.

Telling the truth about broadband speed

Lower prices are of course no consequence if quality of service does not bear up. The Authority has begun the process of addressing the QoS part of the equation. A Consultation Paper defining the Quality of Service (QoS) framework for ICT services in Mauritius was released to coincide with World Telecommunications Day on 17 May 2010. The Authority also released a consultation paper on Consumer-centric Quality of Service (QoS) Framework for Internet end-users in Mauritius.

The exercise was designed to address more effective industry monitoring and protection of end users based on measurable and rigorous indicators. Ultimately, we intend to develop a voluntary code of practice to ensure that Internet Service Providers give good quality information on broadband speeds to consumers at the point of sale. Armed with this sort of information, consumers can shop around, making informed decisions about the service they want and who can provide it.

Addressing mobile phone theft

With the increase in the use of mobile handsets, the Authority launched a national campaign to educate the public about measures to prevent and deal with mobile phone theft.

Encouraging cyber-security

National Cybercrime Prevention Committee

To take necessary steps to curtail illegal and harmful contents of the Internet and other ICT systems, the Authority was mandated to set up a National Cybercrime Prevention Committee (NCPC) in September 2009 to provide advice and support a national culture of Cyber security.

Building trust and confidence in Electronic Communication

The Authority is under the law the Controller of Certification Authorities (CCA) for Mauritius. During 2009/2010 we had launched the Public Key Infrastructure enabling transactions using electronic signatures, an essential component for e-Commerce and e-Government and services to take off.

Promoting competition

Statutory MoU with CCM

In line with provisions under the Competition Act, the ICT Authority signed a Memorandum of Understanding (MoU) with the Competition Commission of Mauritius (CCM) to deal with cases of anti-competitive behaviour in the sector because it is acknowledged that in some areas of ICT service provision the CCM and the Authority have overlapping mandates. The MoU thus brought clarity in terms of the concerted area of intervention for better transparency and predictability to the market.

Retail Tariffs approval

The Authority processed some 30 tariff applications. The main determinations led to an overall reduction in tariffs for international connectivity, international long distance and Internet access services respectively. This led to greater choice for end users and more business opportunities for the sector.

Wholesale tariffs intervention

The Authority reduced tariffs for wholesale international bandwidth connectivity on bilateral IPLC resulting in the trickle down effects of lower ADSL prices amongst others seeing an average drop of 38% in the kbps package.

Another key highlight pertains to the approval of the commercial launch of the international bandwidth services in the form of a bilateral half circuit to Madagascar by Mauritius Telecom Ltd, following the completion of Phase 1 of the LION cable project.

Technical Regulation

Spectrum release for mobile broadband in the SADC

The Authority held an important Forum on implementation of Digital Terrestrial Television Broadcasting (DTTB) Migration for the SADC region. Amongst other things a SADC deadline was set, the technology to be used was harmonized and issues related to the Digital Dividend on account of the spectrum release were addressed.

Defining standards

The Authority approved a list of technical standards for telecommunication networks and the connection of customer equipment to telecommunication networks based upon international standardisation bodies

Addressing Electromagnetic Field (EMF) safety

EMF safety is one issue where the Authority has demonstrated even handedness in satisfying/addressing the diverse needs of its stakeholders; the Authority conducted a consultation process which led to the release of a Mandatory Administrative Standard on RF Safety characterized by the principles of forward planning and a precautionary approach.

Incorporating ADR in ICT regulation

Regulatory authorities worldwide are always called upon to adapt approaches which are efficient in addressing their regulatory functions. One such tools which is new in the field of regulation is Alternate Dispute Resolution. As part of this endeavour the Authority organized an Alternate Dispute Resolution Workshop to build stakeholders' capacity in mediation. As a consequence, the Authority has now on its staff-list at least a couple of accredited mediators.

Looking ahead to 2011

It is clear that the year we are going into will be even more challenging. ICTA will continue to have to carry out a wide range of regulatory responsibilities. Our Annual Plan for 2011 sets out our priorities for the year. They are grouped under the following themes:

- Consumer and citizen empowerment: This includes making progress on addressing broadband through the Universal Service Fund in line with existing Government policy.
- Competition: This includes implementing a new regulatory framework for the processing of tariff applications by identifying a set of guidelines that would be binding on public operators offering information and communication services. There is also plan to allow cross-connect at submarine landing stations.
- Spectrum: This includes starting clearance of the 1800 MHz band for 4G mobile services and taking forward plans for the release of spectrum for mobile broadband. Preparation for the WRC-2012 is also on the agenda.
- *Eight-digit numbering plan:* This will involve addressing the process of migration comprehensively from technical, financial and PR perspectives

These important areas of work, which individually are designed to further the interests of consumers and citizens, will be set against the background of our regulatory activities.

Dr M. K. Oolun Executive Director

REPORT OF THE CORPORATE GOVERNANCE COMMITTEE



ICT BOARD'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The ICT Board is responsible for the preparation and presentation of the financial statements of the ICT Authority in a fair and objective manner in accordance with International Financial Reporting Standards and according to regulations in force.

RESPONSIBILITIES OF THE ICT BOARD MEMBERS

The main responsibilities of the ICT Board Members, as spelt out in the ICT Act, are to lay down the policies regulating the various activities of the Authority. They ensure that the objects, powers and functions of the Authority are carried out in an effective, efficient and objective manner. The Board discharges its responsibilities either directly or through subcommittees duly appointed by the Board. The Board promotes openness, integrity, accountability to improve corporate behaviour, strengthens control systems over business and reviews management performance on a regular basis. To fulfil their responsibilities, Board members have access to accurate, relevant and timely information.

INTERNAL CONTROL

The ICT Board's responsibility includes designing, implementing and maintaining an appropriate internal control mechanism for the preparation and presentation of financial statements which reflect the true situation of the Authority. It also entails selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances. Such systems ensure that all transactions are authorized and recorded and that any material irregularities are detected and rectified within a reasonable time frame.

NATIONAL CODE OF CORPORATE GOVERNANCE

A Corporate Governance Committee has been set up under the ICT Board in order to ensure compliance with the National Code of Corporate Governance. The Committee is constituted of the following ICT Board Members:

Chairperson: Mr M. Seebah, Representative of the Prime Minister's Office Members: Mr Y. Manick and Mr A. Ramlugan

COMPOSITION OF THE BOARD

The ICT Authority is administered and managed by the ICT Board in accordance with the provisions of the ICT Act 2001. The ICT Board consists of the Chairperson, the representative of the Prime Minister's Office and five other Members appointed by the Minister.

FAST TRACK COMMITTEE

In order to deal with some urgent issues in an expeditious manner, the ICT Board has set up a Fast Track Committee comprising the Chairperson and two other Members. The Board has delegated to the Committee the powers to take decisions except those relating to borrowing of money and the granting of licence. The decisions of the Fast Track Committee are subsequently ratified by the ICT Board.

TABLE 1.1: OTHER SUB-COMMITTEES UNDER THE ICT BOARD

Sub Committee:	Chairperson	Members
Audit Committee	Mr N. Malleck	Mr A. Ramlugan Mr N. Khodabocus
USF Management Committee	Mr Y. Manick	Mr T. Dwarka Mr N. Malleck
Staff and Remuneration Committee	Mr T. Dwarka	Mr M. Seebah Mr N. Khodabocus



TERMS OF REFERENCE OF SUB-COMMITTEES UNDER ICT BOARD

AUDIT COMMITTEE

COMPOSITION		
Mr N. Malleck	-	Chairperson
Mr N. Khodabocus	-	Member
Mr A. Ramlugan	-	Member

The Audit Committee ensures that the Authority has a proper and effective internal control system. The main objectives of the Audit Committee are to:

- Evaluate the effectiveness of the system of internal control.
- Identify and assess, in conjunction with management, important risk areas and satisfy itself that the critical risk areas are being effectively addressed by management.
- Assist the Board in setting up an internal audit/ control department.
- Review internal audit plan to determine that internal audit objectives and goals provide for adequate support of the audit committee's objectives and goals.
- Meet with the internal and external auditors to review audit assignments carried out by them.

UNIVERSAL SERVICE FUND (USF) MANAGEMENT COMMITTEE

COMPOSITION

Mr Y. Manick	-	Chairperson
Mr T. Dwarka	-	Member
Mr N. Malleck	-	Member

The USF Management Committee advises on the management of the USF at the level of the Authority. The Committee recommends to the Board any amendments to be made to the structure and management of the USF at the ICTA and national levels and also concerning the USF regulations. The Committee is also responsible for the preparation of annual budgets and plans for the USF and financial reporting for submission to the Board.

STAFF AND REMUNERATION COMMITTEE

-	Chairperson
-	Member
-	Member
	-

The Committee determines the Authority's general policies in regard to remuneration and welfare of staff members and makes appropriate recommendations to the ICT Board.

ICT AUTHORITY ETHICS POLICY

1. OVERVIEW

The purpose of this ethics policy is to establish a culture of openness, trust and integrity in business practices. Effective ethics is a team effort involving the participation and support of every employee of the ICT Authority. All employees should familiarize themselves with the ethics guidelines that follow this introduction.

The ICT Authority is committed to protecting employees, partners, vendors and the organisation from illegal or damaging actions by individuals, either knowingly or unknowingly. When the ICT Authority addresses issues proactively and uses correct judgment, it will help set us apart from competitors.

Any wrongdoing or impropriety at any time will not be tolerated. Appropriate measures will be taken to act quickly in correcting the issue if the ethics code is broken. Any infraction of this code of ethics will not be tolerated.

2. PURPOSE

Our purpose for authoring a publication on ethics is to emphasize the employee's and consumer's respective expectations to be treated to fair business practices. This policy will serve to guide business behaviour to ensure ethical conduct.

3. Scope

3.1 EXECUTIVE COMMITMENT TO ETHICS

3.1.1. Senior Management within the ICT Authority must set a prime example. In any business practice, honesty and integrity must be top priority for executives.

- 3.1.2. Executives must have an open door policy and welcome suggestions and concerns from employees. This will allow employees to feel comfortable discussing any issues and will alert executives to concerns amongst staff.
- 3.1.3. Executives must disclose any conflict of interests regarding their position within ICT Authority.

3.2 EMPLOYEE COMMITMENT TO ETHICS

- 3.2.1 ICT Authority employees will treat everyone fairly, have mutual respect, promote a team environment and avoid the intent and appearance of unethical or compromising practices.
- 3.2.2 Every employee needs to apply effort and intelligence in maintaining ethics value.
- 3.2.3 Employees must disclose any conflict of interests regarding their position within ICT Authority.
- 3.2.4 Employees will help ICT Authority to increase customer and vendor satisfaction by providing quality products and timely response to inquiries.

3.3 COMPANY AWARENESS

- 3.3.1 Promotion of ethical conduct within interpersonal communications of employees will be rewarded.
- 3.3.2 ICT Authority will promote a trustworthy and honest atmosphere to reinforce the vision of ethics within the organisation.

3.4. MAINTAINING ETHICAL PRACTICES

- 3.4.1 ICT Authority will reinforce the importance of the integrity message and the the example will be set from the top. Every employee, manager, director needs to consistently maintain an ethical stance and support ethical behaviour.
- 3.4.2 Employees at ICT Authority should encourage open dialogue, get honest feedback and treat everyone fairly, with honesty and objectivity.
- 3.4.3 ICT Authority has established a best practice disclosure committee to make sure the ethical code is delivered to all employees and that concerns regarding the code can be addressed.

3.5 UNETHICAL BEHAVIOUR

3.5.1. ICT Authority will avoid the intent and appearance of unethical or compromising practice in relationships, actions and communications.

- 3.5.2. ICT Authority will not tolerate harassment or discrimination.
- 3.5.3. Unauthorized use of company trade secrets and marketing, operational, personnel, financial, source code and technical information integral to the success of our company will not be tolerated.
- 3.5.4. Impropriety will not be permitted at any time at the ICT Authority and all employees will act ethically and responsibly in accordance with laws.
- 3.5.5. ICT Authority employees will not use corporate assets or business relationships for personal use or gain.

4 ENFORCEMENT

- 4.1 Any infraction of this code of ethics will not be tolerated and corrective measures will be taken quickly if the code of ethics is broken.
- 4.2 Any employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.



TABLE 1.2: ATTENDANCE AT BOARD AND COMMITTEE MEETINGS -2009/2010

	Board Meeting	Fast Track Committee		Staff and e Remuneration Committee	USF n Management Committee		Outreach Project Committee	Publication Committee
TOTAL MEETINGS	22	1	2	4	3	3	2	1
BOARD MEMBERS								
Mr T. Dwarka (Chairman)	22	1		4	2		2	
Mr A. C. Moosuddee (Representative of the Prime Minister's Office) (up to 2 August 2010)	9			1				
Mr M. Seebah (Representative of the Prime Minister's Office) (as from 3 August 2010)	7			3		1		
Mr N. M. A. Khodabocus	19		2	4			2	
Mr A. Ramlugan	18		1			3		1
Mr Y. Manick	18	1		2	3	3	2	1
Mr N. Malleck	15		2	1	2	2		1
Mr A. Gordon-Gentil	14	1						

PROFILE OF ICT AUTHORITY BOARD MEMBERS

Mr Trilock Dwarka, Chairman

Trilock Dwarka is the Chairman of the ICTA since 2005. He is also the Acting Chairman of the Independent Broadcasting Authority and heads the National Cybercrime Prevention Committee. Mr Dwarka is a longstanding broadcast journalist. He was Head of News of the Mauritius Broadcasting Corporation from 1983 to 1991 before being appointed Director General of the MBC in 1996. He started in 1998 the process that led to the launching of DTT in Mauritius seven years later. He created Infotel Worldwide Services, a bulk data capture facility as well as Ring Me Services, a precursor to our call centres way back in 1992. Mr Dwarka has been involved, during his long career, at the level of executive committees of various regional and international organisations like CIRTEF, SABA, URTNA, CRASA and ARICEA among others. He has published various documents on broadcasting and has made contributions on DSO at the level of the CTO. He holds an MBA from Australia, a Fellowship from Syracuse University, USA and various diplomas in Journalism and Mass Communications.





Mr Motichand Seebah, Representative of the Prime Minister's Office

Mr Motichand Seebah is Principal Assistant Secretary in the Prime Minister's Office, Home Affairs, as from 2006. Previously, he worked in the Ministry of Health and Quality of Life, the Ministry of Agro-Industry and Food Security and the Ministry of Education and Human Resources. He is also Member of the Mauritius Examinations Syndicate (MES) Board, the Mahatma Gandhi Institute (MGI) Council, the World Hindi Secretariat Executive Council, the Events Mauritius, the Management Company Citadelle and the High-Powered Scholarships Committee. He holds an MBA with specialization in Human Resource Management. He is Board Member since August 2010.

Mr Moosuddee, Board Member

Mr A.C Moosuddee holds a BA (Honours) in Economics and a B.Ed from the University of Delhi and the Central Institute of Education, Delhi respectively. He also completed the Diploma in Public Administration and Management from the University of Mauritius.

He started his career as Educational Officer in 1980. In 1988, he joined the Administrative Service as Administrative Officer. He spent more than 13 years at the Ministry of Finance. On being promoted to Principal Assistant Secretary, he was posted to the Prime Minister's Office in 2001. In May 2010, he became Acting Permanent Secretary and was offered a new posting at the Ministry of Industry & Commerce. In August 2011, he joined the then Ministry of Fisheries and Rodrigues. He was appointed Permanent Secretary in April 2012.



He is presently posted at the Ministry of Finance and Economic Development.



Mr Alain Gordon-Gentil, Board Member

Alain Gordon-Gentil has had a long and fruitful career in the press. He has worked as a political analyst, editorialist and interviewer and has won a "Journalist of the Year" award. Mr Gordon-Gentil was Press Office director at the Prime Minister's Office and was one of the senior advisers to the Prime Minister. He is a writer and has published several novels in France. His last novel, Devina won the "Revélations 2009" prize in Paris. Mr Gordon-Gentil has also been a television documentary producer. His films have been screened and broadcast in Mauritius, France, Britain, Belgium and Japan. Mr Gordon-Gentil is Board Member since 2008.

Mr Yashwan Manick, Board Member

Yashwan Manick is the Lead Consultant for a consulting firm specializing in political, business and investment strategy. Mr Manick has been directly involved in political work in Europe, Africa and the USA. He has also consulted on several high profile business ventures in the EMEA region as well as advised on successful start ups. Previously, he was also the founder and managing director of a communication, design and advertising firm based in Mauritius. Mr Manick holds a liberal arts degree from an US Ivy League institution. He is Board Member since 2008.



Mr Naushad M. A. Khodabocus, Board Member

Naushad Khodabocus is Board Member since 2005. Mr Khodabocus holds an MSc in Engineering from UK and has a legal and financial background. He was formerly a Lecturer at the University of Mauritius. He is also a member of the Radio Frequency Monitoring Unit of ICTA and has attended various conferences of the International Telecommunication Union on radio frequency spectrum management. Currently, he is a Director of a consulting engineering firm.





Mr Naushaad K. Malleck, Board Member

Naushaad K Malleck is a Board Member since 2008. Mr Malleck holds an LLB from the University of Buckingham and has done his Bar Vocational Course at the BPP Law School in London. He is practising at the Bar of Mauritius and is presently at the Chambers of Sir Hamid Moollan Q.C.

Mr Amaresh Ramlugan, Board Member

Amaresh Ramlugan is Board Member since 2005. Mr Ramlugan holds a Masters Programme in International Business and a Masters Degree in Marketing Management. He was previously Head of Corporate Affairs for Barclays Bank (Mauritius) PLC from 2005-08, and is currently Head of Marketing & Communications for the State Bank of Mauritius (SBM) Group. Mr Ramlugan is also an Executive Committee Member of the University of Mauritius International Business School (UMIBS). He plays an active role on the social front and is currently serving as President of the Rotary Club of Phoenix.



SENIOR MANAGEMENT PROFILE

Dr Mukund Krishna Oolun, B Tech (Hons), MSc, PhD, MBA, CEng, MIET, MIEEE, RPEM, AMIEM - Executive Director

Dr M K Oolun, Chartered Engineer of the UK Engineering Council, holds a First Class Honours in Electrical & Electronic Engineering from the University of Mauritius, an MSc with distinction in Digital Instrumentation & Imaging Systems from the University of Manchester Institute of Science & Technology (UMIST), UK, a PhD in Communications Engineering jointly from the University of Mauritius & UMIST, and an MBA in Information Technology Management from the University of Leicester, UK. Dr Oolun joined the Authority as an Engineer in 2000 before becoming Director of Engineering in 2002 and since 2005 has been Executive Director.





Mr Harish Bhoolah, FCCA - Director of Finance and Administration

Mr H Bhoolah, Chartered Certified Accountant joined the Authority as Director of Finance and Administration in 2002. Mr Bhoolah is a Fellow of the Association of Chartered Certified Accountants. Before joining the Authority, Mr Bhoolah worked for more than eight years at Kemp Chatteris - Deloitte and Touche as supervisor, and two years at Ireland Blyth Ltd as Accountant.



Mr Trilok Dabeesing, MSc Computer Science, DEA Electronique -Director of IT

Mr T Dabeesing holds a Masters in Computer Science from the George Washington University, U.S.A, as well as a "Diplome D'Etudes Approfondies" from University of Lille, France, in Electronics. He joined the Authority as Manager of IT in October 2003 and was appointed as Director of the same Department in August 2009. He was formerly the Head of Engineering Services from 1995 to 2003 at the Mauritius College of the Air.

Mr Jérôme Louis, B Eng (Hons), M Tel Eng, MRP (Telecom), C Eng, MIET, MIEEE, RPEM - Director of Engineering

Mr J Louis, Chartered Engineer of the UK Engineering Council holds a Masters in Regulation and Policy (Telecommunications) from the University of West Indies, Trinidad and Tobago, a Masters in TelecommunicationsEngineeringfromUniversityofMelbourne,Australia, as well as a First Class BEng (Hons) in Electronics and Communications Engineering from the University of Mauritius. He joined the Authority as Trainee Engineer in February 2003 and was appointed Manager – Engineering and Licensing Department in July 2003. He was thereafter appointed Director as from December 2004.





to build confidence through framework and open and frank communication.

RISK MANAGEMENT

Credit Risk

The Authority is exposed to credit risk pertaining to the possibility of default by licensees in settling their licence fee claims. The Authority has adequate shield against this risk as for major licences the Act provides for the licensees to furnish bank guarantees in favour of the Authority.

This mitigates the credit risk exposure of the Authority with regard to the recoverability of licence fees and the possibility of material loss of revenue arising.

Liquidity Risk

This risk refers to the possibility of default by the Authority to meet its obligations because of unavailability of funds to meet both operational and capital requirements. In order to ensure adequacy of its funds, cash flow forecasts are prepared periodically to identify any shortage of funds.

RELATED PARTY TRANSACTIONS

Remuneration to management

Key management are persons having authority and responsibility for planning, directing and controlling the activities of the Authority, as per IAS 24 - Related Party Disclosures. During the year, the total remuneration of the key management was as follows:

TABLE 1.3 : Total Remuneration

	18 months ending Year ended Rs	31 December 2010 30 June 2009 Rs
Allowances paid		
to Chairman		
and Board Members	8,708,500	6,009,000
Directors	13,592,992	5,841,105
Total	22,301,492	11,850,105

Staff Loans

Staff loans include auto cycle and car loans which are refundable in 60 and 84 equal monthly instalments respectively, and bear interest at the rate of 6.5% per annum. The above also include educational loans to staff members refundable in 60 equal monthly instalments with annual interest rate of 5%.

TABLE 1.4 : Loans granted to staff

	31 December 2010	30 June 2009
	Rs	Rs
Opening Balance:		
Loans: receivable		
within 1 year :	1,017,883	625,396
receivable after 1 year	3,530,652	1,921,859
Loans granted during		
the year	2,023,700	3,205,465
Loan Instalments		
Received	(2,362,010)	(1,204,185)
Closing Balance:	4,210,226	4,548,535
Receivable within 1 year	1,112,214	1,017,883
Receivable after 1 year	3,098,012	3,530,652
	4,210,226	4,548,535

Conflicts of interest

Any Member who has any direct or indirect pecuniary or other interest in a matter being

considered or about to be considered by the Board disclose the nature of his interest to the Board and abstains from being present during any deliberation and decision process of the Board in respect of that matter.

CORPORATE SOCIAL RESPONSIBILITY

The Information and Communication Technologies Authority is committed to activities which support a culture of Corporate Social Responsibility (CSR).

The ICT Authority donated 900 computers to the E-Inclusion Foundation in July 2009. The E-Inclusion Foundation is a charitable trust which facilitates access to ICT tools and training for those on the margins of the digital society.

A donation of 25 computers was made to the Ministry of Health and Quality of Life for use by Area Health Centres.

In October 2009, the Authority donated Rs 250,000 to the Diabetes Parent Support Group which supports treatment enhancement of diabetes patients.

Following the earthquake in Haiti in January 2010, the ICT Authority donated Rs 100,000 towards the Haiti Teledon organized by the Government of Mauritius.

In August 2010, the Authority donated Rs 50,000 to the Teledon organised by the Municipality of Port Louis for the victims of the flood in Pakistan.

HUMAN RESOURCE DEVELOPMENT

We are a workforce of 60 persons, with an equal number of male and female staff.

To facilitate implementation of its strategic targets, the Authority has increased its workforce by 20% by recruiting 10 additional staff in the IT, Finance and Engineering departments. At the same time, to help in improving efficiency and productivity, focused training was provided to various categories of officers in the technical, customeroriented, administrative and finance cadre. Almost every employee has followed at least one training course during the year July 2009 to December 2010, be it local or overseas.

In terms of risk management, relevant training was provided to staff to ensure the processes are in line with corporate governance.

Some staff members from technical backgrounds have also received specialized training from foreign trainers under the Commonwealth Telecommunications Organisation Programme for Development and Training (CTO PDT), such as

- NGN and WiMax Engineering
- Quality of Service Engineering
- Fiber in the Access Networks
- Session Initiation Protocol
- Network Security

Further members from management have also followed a course on **Alternate Dispute Resolution**. Four staff members have even been designated Accredited Mediator from the ADR Group.

In terms of risk management, relevant training was provided to staff to ensure the processes are in line with corporate governance.

Below is a snap shot of the training courses ICTA staff have attended:



In terms of staff welfare, the Authority ensures that an outing is organised at least twice a year whereby staff members have an opportunity to relate to each other in a non-professional environment. We ensure that the children of staff get to know each other as well as we believe in the need to strengthen the bond among staff.

A Christmas party is also organised for all children of staff where each child receives a Christmas gift and some refreshment is served.

Outdoor activities have been organised such as football and volleyball tournaments.

HEALTH AND SAFETY

Health and Safety projects for period 1 July 2009 to 31 December 2010

In accordance with the Occupational Safety and Health Act 2005, the Authority has recruited a Health and Safety Officer since August 2009 to oversee the various Health and Safety aspects.

TECHNICAL REGULATION

TECHNICAL REGULATION

Telecommunications and Radiocommunications

- Department of Engineering
- OoS Framework approved based on International Best Practices
- Determination of technical standards for telecommunication networks and the connection of customer equipment to telecommunication networks
- ICTA Applies Precautionary Approach and Deploys Mandatory Industry Standard on Radio Frequency Safety
- Mandatory for Telecommunication Operators to Adopt Forward Planning
- Application of Precautionary Approach– Precautionary Principle
- Consultation Paper on two-way broadband service for aircraft in flight through Aeronautical Mobile Satellite Service (AMSS) in the band 14 – 14.5 GHz
- Funds requested by the Fire Services Department for spectrum redeployment in the 450 MHz frequency band
- 80 GHz frequency band plan
- The ICTA Releases A Decision On Mobile Communication Services On Aircraft
- Radio amateurs in Mauritius granted additional frequencies

Department of Information Technology

- Consumer-centric Quality of Service (QoS) Framework for Internet end-users in Mauritius
- CCA Website Launched during Public Key Infrastructure Launch

TELECOMMUNICATIONS AND RADIOCOMMUNICATIONS

Department of Engineering

The Department of Engineering is headed by Mr Jerome Louis and consists of five Engineer/Licensing Officers and one Technical officer. The department is responsible for technical regulation and licensing. Technical regulation may be divided into three main functions, namely Spectrum Management, Numbering Management and Quality of Service Monitoring. As regards licensing, the department is responsible for the processing of applications for commercial licences in conjunction with the Legal and Finance departments. The department is also constantly involved in studies, the outcomes of which are published as consultation papers. These papers are part and parcel of the decision making process of the Authority. The Engineering department is also regularly involved in field works which include inspection of ship stations, inspection of radio installations, spectrum monitoring and Radio Frequency radiation measurements.

QoS Framework approved based on International Best Practices

In May 2010, the Engineering Department launched a Consultation paper to seek the views of stakeholders and the public at large on a proposed Quality of Service (QoS) framework for the following services: fixed line telephony, mobile telephony, mobile data (e.g. SMS, MMS), International Telephony and Internet. The key proposal in the Consultation paper is a framework on international best practices. An important aspect of regulation as part of industry monitoring is QoS. QoS parameters are used to ensure that end user or consumer expectations are met and satisfied. In other countries, some regulatory bodies as far as enforcing quality of service through appropriate regulatory instruments e.g. regulations/ directives. These regulations/directives usually require operators to measure and report the quality of the services they provide, which are then accordingly published by the regulators. The latter may then use the data to set performance targets for operators.

The launch of this important project by the ICT Authority is in line with the provisions of the following sections of the ICTA Act 2001. As such under 18(1)(b) the Authority is required "to provide economic and technical monitoring of the information and communication industry in accordance with recoanised international standard practices, protocols and having regard to the convergence of technology" and under section 18(1) (f) the Authority is mandated "to establish, for public operators, performance standards and linkage standards in relation to the provision of international and local telephone services, and monitor compliance with both of those standards" and "to report, in such manner as may be required, to the Minister or to any other person on any matter that lies within its purview, such as the performance of public operators, the quality of consumer service and consumer satisfaction, measured against the best available international standards of practice".

And under section 18(1) (n) of the ICT Act 2001 the Authority has "to ensure the safety and quality of every information and communication services including telecommunication services, and for that purpose, determine technical standards for telecommunication network, the connection of customer equipment to telecommunication networks";

Determination of technical standards for telecommunication network and the connection of customer equipment to telecommunication networks

In November 2010 the Authority approved a list of technical standards for telecommunication networks and the connection of customer equipment to telecommunication networks.

These technical standards were determined based upon those established through various international standardisation bodies such as the European Telecommunications Standards Institute (ETSI) and the International Electrotechnical Commission (IEC). The list of technical standards were established to ensure the safety of the public and users in general, the efficient use of the radio spectrum and electromagnetic compatibility.

Given that all equipment listed need to be type approved, the established standards will enable

licensed dealers and anyone importing such equipment to check the required compliance of the equipment they propose to either sell or use prior to applying for a type approval or a licence from the Authority or even before importing the equipment.

The comprehensive list of established technical standards include equipment such as mobile phones, cordless phones, walkie-talkie and marine radios.

Under Section 18 (n) of ICT Act 2001 (as amended), the ICT Authority has as one of its functions to "ensure the safety and quality of every information and communication services including telecommunication service, and for that purpose, determine technical standards for telecommunication network, the connection of customer equipment to telecommunication networks."

To act in line with this mandate, the Engineering Department constituted a list of standards applicable for type approval for compliance in Mauritius.

The Authority published the standards on its website and in public notices in Mauritian newspapers to disseminate this information for the public in general and for importers and dealers of equipment. The table below lists out the standards for compliance.

Equipment Type	Effective Use of Radio Spectrum	Interconnection with PSTN	Electromagnetic Compatibility	Safety
PMR Radio	ETSI EN 300 086-1 ETSI EN 300 086-2	n/a	ETSI EN 301 489-1 ETSI EN 301 489-5	IEC 60950 / EN 60950
TETRA Radios	ETSI EN 303 035-1 ETSI EN 303 035-2	n/a	ETSI EN 301 489-1 ETSI EN 301 489-18	IEC 60950 / EN 60950
DECT Cordless Phones	ETSI EN 301 406	ETSI EN 301 437 ETSI TBR 38	ETSI EN 301 489-1 ETSI EN 301 489-6	IEC 60950 / EN 60950
Analogue Telecommunications Line Equipment (e.g Analogue PABX)	n/a	ETSI EN 301 437 ETSI TBR 38	CISPR 22 / EN 55022	IEC 60950 / EN 60950
Attachment requirements for terminal equipment to connect to an ISDN using ISDN primary rate access (e.g Digital PABX)	n/a	ETSI TBR 04	CISPR 22 / EN 55022	IEC 60950 / EN 60950
GSM/GPRS Base Stations	ETSI EN 301 502	n/a	ETSI EN 301 489-1 ETSI EN 301 489-7	IEC 60950 / EN 60950 EN 50383 / EN 50385
GSM/GPRS Mobile Stations	ETSI EN 301 511	n/a	ETSI EN 301 489-1 ETSI EN 301 489-7	IEC 60950 / EN 60950
IMT-2000Cellular Networks Base Station	ETSI EN 301 908-1 ETSI EN 301 908-3	n/a	ETSI EN 301 489-1 ETSI EN 301 489-23	IEC 60950 / EN 60950
UMTS Mobile Stations	ETSI EN 301 908-1 ETSI EN 301 908-2	n/a	ETSI EN 301 489-1 ETSI EN 301 489-24	IEC 60950 / EN 60951
CDMA2000 Mobile Phones	TIA / EIA 97C			
VSAT (4 GHz and 6 GHz)	ETSI EN 301 443	n/a	ETSI EN 301 489-1 ETSI EN 301 489-12	IEC 60950 / EN 60950
VSAT (11 / 12 / 14 GHz))	ETSI EN 301 428	n/a	ETSI EN 301 489-1 ETSI EN 301 489-12	IEC 60950 / EN 60950

 TABLE 2.1 : List of technical standards for telecommunication network and the connection of customer equipment to telecommunication networks

	FCC Part 80			
VHF Marine Transceiver	ETSI EN 301 025-1 ETSI EN 301 025-2 ETSI EN 301 025-3 ETSI EN 301 178-1 ETSI EN 301 178-2 ETSI EN 300 698-1 ETSI EN 300 698-2 ETSI EN 300 698-3 ETSI EN 300 162-1 ETSI EN 300 162-2 ETSI EN 300 162-3	n/a	IEC / EN 60945	IEC 60950 / EN 60950
HF Marine Transceiver	ETSI EN 373-1 ETSI EN 373-2 ETSI EN 373-3	n/a	IEC / EN 60945	IEC 60950 / EN 60951
	FCC Part 80			
2.500 – 2.690 GHz Equipment	ETSI EN 302 326		EN 301 489-1 EN 301 489-4	IEC 60950 / EN 60950
3.400 – 3.600 GHz	ETSI EN 302 326		EN 301 489-1 EN 301 489-4	IEC 60950 / EN 60950
2.4 GHz Equipment	ETSI EN 300 328	n/a	ETSI EN 301 489-1 ETSI EN 301 489-17	IEC 60950 / EN 60950
5.150 – 5.350 GHz Equipment	ETSI EN 301 893	n/a	EN 301 489-1 EN 301 489-17	IEC 60950 / EN 60950
5.470 – 5.725 GHz Equipment	ETSI EN 301 893	n/a	EN 301 489-1 EN 301 489-17	IEC 60950 / EN 60950
5.725 - 5.850 GHz Equipment	ETSI EN 302 502	n/a	EN 301 489-1 EN 301 489-17	IEC 60950 / EN 60950
40.5 – 43.5 GHz Equipment	ETSI EN 301 997-1 ETSI EN 301 997-2	n/a	EN 301 489-1	IEC 60950 / EN 60950
Short Range Devices	As recommended by ERC / REC70-03	n/a	EN 301 489-1	IEC 60950 / EN 60950
Short Range FM Transmitter	ETSI EN 301 357-2	n/a	301 489-1 302 489-9	IEC 60950 / EN 60951
Telecommunication Network Equipment	n/a	n/a	ETSI EN 300 386	IEC 60950 / EN 60950
EPIRB	ETS 300 066	n/a	IEC / EN 60945	IEC 60950 / EN 60950

TABLE 2.1 : List of technical standards for telecommunication network and the connection of customer equipment to telecommunication networks (continued)

ICTA Applies Precautionary Approach and Deploys Mandatory Industry Standard on Radio Frequency Safety

The Authority officially released the public consultation of **Radiocommunication** the Infrastructure and **Administrative** Technical Standard for Electromagnetic Field (EMF) Safety (hereafter referred to as the Standard) on 16th September 2010 giving stakeholders in Mauritius until 18 October 2010 to respond. The consultation period was extended till February 2010. The objective was to seek out an in-depth public consultation on Radio Frequency safety with its diverse stakeholders in Mauritius.



Spectrum Analyzer for Radio Frequency Safety measurement

Mandatory for Telecommunication Operators to Adopt Forward Planning

The proposed Standard would make it imperative for operators to adopt forward planning for the installation of RF infrastructure to cater for the expected rise in the number of antennas due to the foreseeable growth in demand for mobile telephony services and good network coverage in Mauritius.

The Standard included a consultation plan that spells out in detail how operators are to consult with stakeholders, in particular, on the impact that setting up infrastructure such as a radio base station may have on communities.

Application of Precautionary Approach– Precautionary Principle

The ICT Authority based its approach on the Precautionary Principle. The Precautionary Principle is summed up in 1992 at the UN Conference on Environment and Development (UNCED) in Rio de Janeiro. The Precautionary Principle was recognised and included in the Rio Declaration.

"In order to protect the environment, the precautionary approach should be widely applied by States according to their capabilities. Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation."

In Mauritius the need for finalizing a mandatory industry Standard for Radio Frequency has been strongly felt because of growing public concern over the potential hazards to health from RF emissions from radio communications infrastructure. The exposure limits adopted by the ICT Authority are those of the International Commission on Non-Ionizing Radiation (ICNIRP); those RF exposure limits are those adopted by the World Health Organization.

The Deployment of the Standard by the ICT Authority are line with provisions under section 18 (1) (n) of the ICT Act 2001 "to ensure the safety and quality of every information and communication service including the telecommunication services, and for that purpose, determine technical standards for telecommunication network, the connection of customer equipment to telecommunication networks."

Consultation Paper on two-way broadband service for aircraft in flight through Aeronautical Mobile Satellite Service (AMSS) in the band 14 – 14.5 GHz

Following an expression of interest to the Authority to operate Aeronautical Mobile Satellite Service

(AMSS) in the frequency band 14 – 14.5 GHz, a Consultation Paper on two-way broadband service for aircraft in flight in this band was released on 17 May 2010.

The objective was to enable consultation with the stakeholders and the public at large on whether the AMSS may be authorized on Mauritian aircraft and on foreign aircraft in flight in the Mauritian airspace.

The Authority received contributions from: Emtel Ltd and from the Department of Civil Aviation (DCA). The DCA specified that the AMSS equipment must meet all the Safety Standards defined by the Radio Technical Commission for Aeronautics (RTCA).

Emtel, for its part suggested that the Aircraft Earth Station (AES) should only be operational while the aircraft is cruising and that that sufficient preventive measures should be defined in order to mitigate interference risk between the AMSS and lawfully operating stations in the primary services.

The ICT Authority has as one of its functions, under section 18 (p) of the Information and Communication Technologies Act 2001, to *"allocate frequencies and manage, review, and, where appropriate, reorganise the frequency spectrum*";

The other aspect of the rationale for this consultation was also that the ICT Authority has as one of its objects, under section 16 (g) of the Information and Communication Technologies Act 2001, to "further the advancement of technology, research and development relating to information and communication technologies through modern and effective infrastructure taking into account the convergence of information technology, media, telecommunications, and consumer electronics".

AMSS networks have been designed to provide inflight data such as access to the Internet on board aircraft and entertainment content to passengers and operators of commercial and business aircraft. Funds requested by the Fire Services Department for spectrum redeployment in the 450 MHz frequency band

In the public interest, the Mauritius Police Force (MPF) made a request to the Authority for the allocation of frequency spectrum to operate a radio network across Mauritius.

The request of the MPF meant that spectrum already allocated to the Central Electricity Board, Les Relais Ltd, the Fire Services Department and the Mauritius Broadcasting Corporation would have had to be redeployed. To accede to the request for frequency spectrum by the MPF, the Authority undertook a refarming exercise to each of these stakeholders, including the Fire Services Department to request that they migrate to new frequencies earmarked by the Authority, in accordance with the ITU-R Recommendation SM.1603.

Since it did not have the provisions in its budget to cover the costs it would incur for the spectrum redeployment, which was being done on an emergency band, the Fire Services Department asked the support of the Authority to cover the costs.

The ICT Authority accordingly made available funds of Rs.108,076 to the Fire Services Department in the public interest.

80 GHz frequency band plan

The Authority received a request for fixed radio spectrum licence in the 80 GHz frequency band.

Following this application a band plan for the 80 GHz band was prepared based on the Electronic Communications Committee (ECC) recommendation (05)07 and frequency channels in the said band were assigned to the company.

In making available this frequency band, the Authority took into account that the new band plan would also allow assignments for future applications in respect of point to point high capacity connectivity.

The ICTA Releases A Decision On Mobile Communication Services On Aircraft

The ICT Authority had received representations from two companies for the use of GSM phones onboard both Mauritian-registered aircraft and foreignregistered aircraft engaged in innocent passage in the airspace of Mauritius. Both representations expressed the views that there is an increasing interest for such services from users.

Under the provisions of section 18 (p) and under the objects set out under section 16 (g) of the ICT Act 2001, the Authority engaged in a consultation exercise to gather the views of all stakeholders in view of determining the Authorisation/Licensing procedure for the operation of MCA Services on board Mauritian aircraft as well as on board foreign aircraft engaged in innocent passage in Mauritian airspace.

Four organisations responded: Emtel Ltd, the Department of Civil Aviation, Aeromobile from UK and Onair from Switzerland.

In May 2010, the ICT Authority decided that foreign aircraft engaged in innocent passage in Mauritian airspace be allowed to operate MCA Services as long as they respected conditions laid out in a recommendation by the International Civil Aviation Organisation, ICAO.

However, MCA services would not be deployed on board Mauritian registered aircraft until such time when the appropriate conditions regarding aircraft safety were determined in collaboration with the Civil Aviation Department.

In making its decision, the ICT Authority took into consideration the advice of the Department of Civil Aviation which was in turn based on a recommendation of ICAO, namely that certification of MCA Systems be withheld until all the potential effects of the GSM on board aircraft are studied and safety requirements are met.

The decision of the ICT Authority followed a consultation exercise between 1st July 2009 and 1st August 2009 to seek the views of all stakeholders to determine the authorisation procedure for the operation of Mobile Communication Services on Aircraft on board Mauritian aircraft as well as on board foreign aircraft engaged in innocent passage in Mauritian airspace.

Radio amateurs in Mauritius granted additional frequencies

Changes were brought to the National frequency allocation plan and the schedule of frequencies authorised for operation by radio amateurs.

This was prompted by several requests from radio amateurs in recent years to operate in the 50 MHz band. One of the reasons the 50 MHz band is very popular amongst radio amateurs around the world is that it offers good propagation characteristics and extensive operational possibilities.

The 47-68 MHz band is allocated for broadcasting services in the Republic of Mauritius. The band of interest, i.e. the 50-54 MHz sub-band falls within this allocation. However, there are no frequency assignments made in this particular sub-band.

In view of the demand from radio amateurs, it was deemed appropriate that the 50-54 MHz frequency bands be allocated for radio amateur services on a primary basis in the Republic of Mauritius, given that it is in accordance with the allocation made in several other Region 1 countries. Furthermore this would comply with the proposed SADC Frequency allocation plan. The proposed Southern African Development Community (SADC) Frequency Allocation Plan 2010 allocates the frequency sub-band 50-54 MHz to radio amateur services.

The decision was further borne out by footnote 5.169 of Article 5 of the Radio Regulations which stipulates that the sub-band 50-54 MHz be allocated to the amateur service on a primary basis in the following Region 1 countries:- Botswana, Burundi, Lesotho, Malawi, Namibia, Democratic Republic of the Congo, Rwanda, South Africa, Swaziland, Zambia and Zimbabwe.

The table below sets out the assignments to be made to Class A, Class B and Visitors' radio amateur stations in the 50-54 MHz band. This Table was included in the Schedule of frequencies authorised for operation by radio amateurs.

TABLE 2.2 : Allocations for Radio Amateur Services in 50-54 MHz frequency band

Frequency band	Authorised Power	Class of station
50.00-51.00	400W (26 dBW)	Class A, Visitor
	10W (10 dBW)	Class B
51.00-52.00	100W (20 dBW)	Class A, Visitor
	10W (10 dBW)	Class B

The above frequency bands were made available for use on the condition of non-interference to other services outside the Republic of Mauritius.

DEPARTMENT OF INFORMATION TECHNOLOGY

The Department of Information Technology is headed by Mr Trilok Dabeesing. The department's staff is composed of a team of eight altogether.

For the period of this annual report which covers the period from 1st July 2009-December 2010, the areas of focus for the IT Department were the launch of the Public Key Infrastructure; the launch of the Controller of Certification Authorities website; the redesign of the ICT Authority website; the stakeholder consultation on the Consumer-centric Quality of Service (QoS) Framework for Internet endusers in Mauritius and the setting up of the Online Content Filtering System for filtering child sexual abuse (CSA) websites.

Consumer-centric Quality of Service (QoS) Framework for Internet end-users in Mauritius

To complement the QoS Framework of the Engineering Department, the IT Department came up with a consumer-centric Quality of Service (QoS) assessment framework to ensure quality of service for Internet services in Mauritius. To fund this project, the ICT Board approved that this project be funded from the Universal Service Fund.

The purpose of the Internet Quality of Service assessment framework will be to provide insights into aspects of the performance consumers are experiencing in using Internet services.

Quality of service is a key issue in Internet regulation. The regulator's responsibility is to establish quality of service (QoS) guidelines or parameters, as well as the methods and procedures for monitoring operators' performance against these established parameters. The baseline objective in establishing QoS targets and reporting is to ensure that the consumers are getting value for money from their service providers. The level of service is determined by a specified Service Level Agreement (SLAs). But QoS targets must not impede operators from carrying out dayto-day operating routines as a result of excessive reporting requirements. The increase in Broadband uptake has made the need for such a QoS framework ever more pressing.

Under this project, an industry expert in Internet Services Measurement and Benchmarking would be hired to design, build and operate a permanent test platform in Mauritius. This would provide an objective and continuous monitoring and reporting on the service quality of Internet service providers.

Through this quality of service assessment, the Authority aims to provide the consumer with information on Internet quality of services. The benefit to the consumer is that they can make an informed choice when they decide on who should be their service provider.

The onus will be on operators to ensure they maintain a high level of service and fulfil customers' expectations because the information on operators' performance would be published. The publication of performance according to QoS parameters is an industry convention. Specific retail Internet Services packages from all licensed operators would be tested and results will be made publicly available to consumers on a quarterly basis, thereby allowing consumers to easily compare results between licensed operators. In addition, the quality achieved by the Industry in Mauritius will be benchmarked in a dynamic way compared to the quality achieved by operators in other parts of the world.

Such fully automated testing will provide both the regulator and consumers with information on many factors which affect the quality of the end user experience for both domestic and international connectivity, including download and upload speed, web browsing speed and other critical parameters. The QoS monitoring framework will sample and examine data rates and other measures of quality of service to obtain a snapshot of services levels that are actually achieved by customers.

Regulatory Benefits	it allows the regulator to ascertain the level of quality emanating from the sector it is responsible for promoting nationally;
Operational Benefits	it allows operators to determine their service levels and correspondingly plan their network investment and capacity requirements;
Consumer Benefits	it enables consumers to know exactly the level of service they are obtaining for the price they are paying;

The adoption of such a framework yields clear benefits to all stakeholders, and as such a strong case may be made for project financing under the USF, given the objective is the overall betterment of the services being traded within the ICT sector of Mauritius.

CCA Website (www.cca.mu) Launched during Public Key Infrastructure Launch

The Controller of Certification Authorities (CCA) website was launched on 06 December 2010 during the opening ceremony of the Public Key Infrastructure in Pailles.

The website carries comprehensive information about the functioning and scope of the Public Key Infrastructure. Prospective CAs are given the choice to submit online applications and the CCA website includes an FAQ section intended at raising awareness about the PKI in order to encourage take up.

COMMUNICATIONS AND MARKETING

- Alternate Dispute Resolution Workshop builds stakeholder capacity in mediation
- Authority hosts regional Forum to fast track and harmonize migration from analogue to digital broadcasting in Southern Africa
- ICT Authority Launches Consultation on Radio Frequency (RF) Safety
- Competition Commission of Mauritius signs Memorandum of Understanding with the Information and Communication Technologies Authority (ICTA)
- The aim and scope of the MoU
- The Scope of the MoU
- The ICT Authority's website undergoes redesign
- Cert.mu /Cirt.mu Workshop builds capacity across ICT sector
- Measures to boost Corporate Identity with harmonisation of ICTA logo
- Public Internet Access Points
- ICTA forms part of Mauritian delegation at the ITU Plenipotentiary Meeting, , Mexico
- ICT Authority wins ICAC BACF 2010 Awards for Risk Management and Transparency
- Consumer Protection Workshop
- Official Launch of the Public Key Infrastructure for Mauritius



Alternate Dispute Resolution Workshop builds stakeholder capacity in mediation

Participants hone their mediation skills in ADR workshop

July 2009 saw a three-day workshop on the effective use of alternate dispute resolution in the ICT sector at the Labourdonnais Hotel in Port Louis. The workshop was organised by the Commonwealth Telecommunications Organisation (CTO) and hosted by the ICT Authority in partnership with the ADR Group.

The ADR Group is one of the longest established Alternate Dispute Resolution or mediation service providers in UK. Thirty participants from a cross section of the ICT industry followed the intensive training using practical examples of ADR. The ADR workshop saw the participation of delegates from other sectors including financial services and aviation. The ICTA/CTO workshop generated much interest for future such workshops in Mauritius and a second training workshop was held in December 2010.

The workshop was officially opened by the Honourable Mohammed Asraf Ally Dulull, Mauritian Minister of Information and Communication Technology. Alternate Dispute Resolution offers industry players, i.e the policymaker, the regulator, telecommunication companies and consumers an effective pathway to avoid costly and protracted legal disputes. Authority hosts regional Forum to fast track and harmonize migration from analogue to digital broadcasting in Southern Africa

From 17 to 19 August 2009, the ICTA hosted a regional Forum on Digital Broadcasting Migration at the Four Points by Sheraton Cybercity, Ebène.

The Forum had been the convened by Communications Regulators Southern of Africa (CRASA). The need for such a Forum had been felt by other members of CRASA following the approval of the SADC Digital Broadcasting Migration Action Plan by SADC Ministers responsible for Telecommunications, Postal and ICTs in a meeting held in Namibia on 26th June of 2009.

Some sixty delegates attended the Forum and shared their experiences on the harmonization process of digital broadcasting migration for the SADC region. Along with their Mauritian counterparts, they were called upon to focus on the Implementation Plan for Digital Broadcasting Migration for the region. Amongst the delegates were CRASA's Executive Secretary, Mr Isodoro da Silva and the Chairperson of the Broadcasting Affairs Committee, Councillor Robert Nkuna. Chairpersons and CEOs as well as senior representatives from ICT and broadcasting regulators, high level officials from government departments, broadcasting organisations and associations, telecommunication operators and consumer organisations were amongst the Forum delegates.

CRASA is the regional body for ICT and Communications regulators of the Southern African Development Community (SADC). A number of issues relating to how the region can harmonize its migration from analogue to digital broadcasting and share best practices as well as forewarn of the pitfalls were discussed.

For CRASA members the strategic issues included the aligning of policy and legislation to facilitate digital broadcasting migration; future reuse of premium spectrum that will be freed from the current allocations for analogue broadcasting services as well as the need to address empowering consumers in the switchover process.

The Honourable Mohammed Asraf Ally Dulull, Minister of Information and Communication Technology officially opened the Forum.

ICT Authority Launches Consultation on Radio Frequency (RF) Safety

The Authority launched a consultation process on Thursday 3 September 2009 following concerns expressed by different stakeholders regarding the potential hazards of Radio Frequency (RF) radiation from radio base stations (antennes relais).



Demonstration of Radio Frequency Safety (RF) measurement

The consultation was held at Le Sirius, Labourdonnais Waterfront Hotel.

The consultation provided a platform for the ICT Authority to explain to stakeholders the technical concepts behind Radio Frequency (RF) safety and for them to take cognizance of the current regulatory framework in Mauritius with regard to RF safety.

The consultation process was also intended at getting the views of key stakeholders in order to ensure that the issues regarding the installation of base stations are dealt with in a consensual manner.

Presentations were made by senior officials of the ICT Authority and Dr Vikass Monebhurrun, Associate Professor with over ten years' experience in RF and RF-related research from France's prestigious insitute, l'Ecole Supérieure d'Electricité (Supélec).

The Honourable Mohammed Asraf Ally Dulull, Minister of Information and Communication Technology officially launched the half day consultation. Amongst the stakeholders were telecommunication operators, officials from local authorities, government departments and parastatal bodies, representatives from consumer organisations as well as researchers from academia.

Competition Commission of Mauritius signs Memorandum of Understanding with the Information and Communication Technologies Authority (ICTA)

On 18 March 2010, the ICT Authority signed a Memorandum of Understanding with the Competition Commission of Mauritius (CCM). It was the first of several Memoranda of Understanding (MOUs) that the CCM is required under the Competition Act to conclude with sector regulators. This first MOU, with the ICTA, was signed by the commission's Acting Chairman Mr Rajiv Servansingh and its director, Mr John Davies. The ICT Authority Chairman, Mr Trilock Dwarka and Executive Director Dr Krishna Oolun signed the MoU on behalf of Authority.
The aim and scope of the MoU

The Competition Act empowers the Competition Commission to investigate and remedy anticompetitive behaviour as defined under the Competition Act 2007. In certain aspects of information and communication technologies regulation, the Competition Commission of Mauritius (CCM) and the Information and Communication Technologies Authority (ICTA) have overlapping powers. This is because the conduct of an operator in the supply of information and communication services which may be considered objectionable under section 30 of the ICT Act 2001, may also infringe upon the Competition Act 2007.

In order to promote co-operation and coordination between the CCM and the ICTA, when dealing with cases of anti-competitive behaviour, especially where such powers are overlapping, the CCM signed the Memorandum of Understanding with the ICTA as provided for under section 66 of the Competition Act.

The Scope of the MoU

The CCM and the ICTA agreed to, *inter alia* :

- facilitate the treatment of cases of anticompetitive behaviour within the information and telecommunication sector and decide at the outset of an investigation as to who should investigate an alleged conduct which may be considered anti-competitive in accordance with defined criteria;
- minimize the duplication of activity, wherever possible by coordinating their approaches, by adopting the same analytical approach and discussing remedies under the Competition Act;
- conducting joint investigations, whenever appropriate;
- enabling ICTA to comment and contribute to the CCM's Investigation reports; and
- ensure that the remedies imposed by the CCM by ICTA's licensees are effectively implemented.



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ICT Authority signed a Memorandum of Understanding with the Competition Commission of Mauritius to promote cooperation and coordination between the CCM and the ICTA, when dealing with cases of anti-competitive behaviour

The ICT Authority's website undergoes redesign

In 2010, it was decided to review the existing ICT Authority's website in order to make it more service oriented. The Home Page was segmented into six main sections: Home; Radiocom; Telecom; Internet; Consumer and Market. The broad aim of the redesign was to reorganize the volume and range of information of interest to the Authority's diverse set of stakeholders and end users. The redesign also included a section on the Postal Authority and links to the CCA website. A new colour scheme was used and new photos and illustrations were added.

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Homepage of the Authority's website

In 2010, the Authority's website ranked high amongst other National Regulatory Authorities (NRA) in a global report benchmarking the way regulatory bodies use their websites as a channel to communicate their functions and interact with their constituents and public. The Mauritian regulator was positioned amongst the highest in a number of indicators used to benchmark NRA websites across Africa.

The findings were revealed in a report published by Learning Initiatives on Reforms for Network Economies (LIRNE.NET). LIRNE.NET is an international network for research, training, policy and regulatory advice on telecom and information infrastructure reform and development. The co-partners in the publication of this report are Fundacion Communica and the International Development Research Centre (Centre de recherches pour le development international).

Entitled NRA Websites: Benchmarking National Telecom Regulatory Authority Websites, the report laments the fact that communication is a 'neglected priority" for regulators. But the Mauritian NRA, the Information and Communication Technologies Authority scored some of the highest points on a number of counts for the African region.

Cert.mu /Cirt.mu Workshop builds capacity across ICT sector

A workshop was held at the Swami Vivekananda International Conference Centre in 2010, to build capacity with participants from the ICT sector in Mauritius.

The workshop focused on the functioning and operational aspects of CERT- i.e Computer Emergency Response Team also referred to as the CIRT, Computer Incident Response Team.

Measures to boost Corporate Identity with harmonisation of ICTA logo

One of the ICT Authority's objectives as part of its engagement with stakeholders is to create a better brand fingerprint. Part of that process entails a clear corporate identity through a consistent use of its logo and colours. An exercise was undertaken in that vein in 2010 to ensure that all departments were using a harmonized logo.



Experts from Singapore ran the workshop to demonstrate how the CERT can support diverse stakeholders in their functions

Public Internet Access Points

The Board approved the conducting of the PIAP project audit as per the funding agreement given that the financial support extended by the ICTA to the PIAP project ended in April 2010, that is, after 4 years.

There were 44, 791 number of users who benefited from the PIAP project during the period of 2009-2010.

ICTA forms part of Mauritian delegation at the ITU Plenipotentiary Meeting, Guadalajara, Mexico, 4-22 October 2010

The Chairman and Executive Director of the ICTA formed part of the Mauritian delegation who took part in the Plenipotentiary Meeting (PP-10) of the International Telecommunications Union (ITU) held in Guadalajara, Mexico from 4-22 October 2010. This meeting is held every four years in accordance with the provisions under the Conventions and Constitutions of the ITU.

The Mauritian delegation was led by the Minister of ICT, Honourable Tassarajen Pillay Chedumbrum.

The conference allowed the Mauritian delegation to increase the visibility of Mauritius in the ICT sector on the international scene and to create synergies with various countries and ICT organisations with a view to boosting ICT development in the country. Discussions with delegations from the Eastern and Southern African regions generated serious discussions at the level of the COMESA and SADC with a view to ensuring an equitable level of participation from Africa. It was also decided that there was a need to involve SIDS representation at the level of the ITU Council.

The ICTA has been invited to present the technology it is using for filtering harmful Internet content at a regional ITU meeting.

The Mauritian delegation contributed directly to the works of the conference especially in the plenary sessions dealing with the election of the Secretary General, the Deputy Secretary General, the Directors of the three bureaus (Telecommunication Bureau, Radiocommunication Bureau and the Telecommunication Development Bureau), the Radio Regulation Board as well as the Council members for the period 2010 – 2014.

The delegation also contributed to the various Working Committees, mainly Committees 4, 5 and 6 responsible for deliberating on the strategic plan of the Union for the period 2010–2014 and to look into major reforms to be brought to the resolutions of the ITU as well as some of the conventions and the constitutions.

ICT Authority wins ICAC - BACF 2010 Awards for Risk Management and Transparency

The ICT Authority was the recipient of two awards under the Best Anti Corruption Framework 2010 (BACF) organised by the Independent Commission against Corruption (ICAC) during a ceremony held on 13th December.

Organisations were invited to submit entries under the following five categories: Management Commitment, Risk Management, Transparency, Accountability and Integrity Management. Out of these five categories, the ICT Authority won the award in recognition of the organisation with the best Risk Management criteria and that for the best Transparency criteria.

The Executive Director of the ICT Authority, Dr M. K. Oolun led a management team who received the trophies during the ceremony held at the Rajiv Gandhi Science Centre, Bell Village in the presence of the H. E. Mrs Monique Agnès Oshan Bellepeau, G.O.S.K, Vice-President of the Republic and senior officials from ICAC. Chief Executives and senior management from public bodies and parastatals were also present during the prestigious ceremony.

Dr Oolun stressed that the awards testify to a demonstration of the level of transparency in which business processes are conducted at the Authority. He added that the industry can also derive comfort in knowing that the regulator, in securing these awards, is fulfilling its mandate to exacting standards.

The ICT Authority's Executive Director also highlighted the invaluable contribution of the dedicated personnel whom he said were to be commended for living up to the core values of the Authority.

ICAC had received fifteen submissions from public bodies including parastatal organisations.

Consumer Protection Workshop

Empowering Regulators To Protect Consumer Rights in the ICT Sector was the theme of a one day workshop held on Thursday 9th December 2010 at La Petite Cannelle, Domaine les Pailles. The workshop was organized with the collaboration of Balancing Act, a consultancy and online publishing company specialising in ICTs and ICT research across Africa. A diverse set of stakeholders took part in lively panel-led discussion on a range of topics with the focus on ICT consumers. The speakers gave overviews on consumer rights in the ICT sector in Africa; participants also looked at Customer Care and examined the operators' perspective; consumer rights in relation to ICT laws in Mauritius and the role of all stakeholders in improving the consumer experience in the ICT sector.



The ICT Authority was the recipient of two awards under the Best Anti Corruption Framework 2010 (BACF) organised by the Independent Commission against Corruption (ICAC)

Official Launch of the Public Key Infrastructure for Mauritius

On 6 December 2010, the Honourable Tassarajen Pillay Chedumbrum, Minister of Information and Communication Technology officially launched the Public Key Infrastructure for Mauritius at the Swami Vivekananda International Convention Centre, Pailles.



The Honourable Tassarajen Pillay Chedumbrum, Minister of Information and Communication Technology officially launched the Public Key Infrastructure for Mauritius at the Swami Vivekananda International Convention Centre, Pailles

Under section 18(1)(z) of the Information and Communication Technologies Act 2001, as amended, the ICT Authority is the Controller of Certification Authorities (CCA) for Mauritius. The CCA, as the "Root" Authority of the Mauritian Public Key Infrastructure (PKI), certifies the technologies, infrastructure and practices of all the Certifying Authorities (CAs) duly licensed, recognised, or approved to issue Digital Certificates. The purpose of Digital Certificates is to ensure, through the use of Digital and Electronic Signatures, confidentiality, authenticity, integrity and non-repudiation for online transactions.

A PKI is a combination of technologies, processes, policies, practices and legal provisions that enable the use of electronic signatures; such a signature is a feature required in an open environment, such as the Internet, where the parties involved in a transaction do not know each other, and yet wish to ensure that the transaction is a trusted one. PKI is a system that allows a reliable third party to issue a Digital Certificate, which is the vehicle that guarantees the required level of trust as it contains information about the person holding the certificate.

The coming into operation of the PKI in Mauritius had been fast-tracked under the high-level Economic Cooperation Agenda between the Government of India and the Government of Mauritius. The Mauritian CCA had signed a Memorandum of Understanding (MoU) with the CCA of India in February 2009. This MoU mainly rests upon the utilisation by the Mauritian CCA of the technical infrastructure known as the Root Certifying Authority of India which is used by the Indian CCA to digitally sign the public key certificates of all licensed CAs in India. Pursuant to this MoU, the Root Certifying Authority of India will also be used to digitally sign the public key certificates of all licensed CAs in Mauritius. This operation will be undertaken by the Indian CCA on behalf of the Mauritian CCA.

The Electronic Transactions Act Regulations 2010, which came into force on 1 December 2010, put in place a licensing scheme for Certification Authorities (CAs) in Mauritius. In addition to laying down the administrative framework for licensing by the Controller of CAs, the Regulations also stipulate the criteria for a CA to be licensed in Mauritius, and the strict continual operational requirements after obtaining a licence. The criteria that CAs will be evaluated against, include, their financial standing, operational policies and procedures, and trustworthiness of personnel. PKI has emerged worldwide as the trusted technology of choice for ensuring the trustworthiness of identity credentials in three key areas: e-government, national identity programmes, and e-passport programmes.

Adopting this technology is effectively a huge step towards the making of Mauritius into an I-Mauritius, in line with the goal set by Government for 2010 – 2015. The High Commissioner of India, His Excellency Shri Madhusudan Ganapathi and Dr N. Vijayaditya, India's Controller of Certification Authorities (CCA India), Department of Information Technology, Government of India were among the guests at the launch.

SOCIAL REGULATION

- ICT Authority launches Consultation Paper on Quality of Service (QoS) Framework to improve ICT Service Standards in Mauritius
- ICT Authority: Message on the occasion of the World Telecommunications and Information Society Day (WTISD) 2010 – 17 May 2010
- Consumer Support Desk set up to better serve ICT consumers and customers of the Authority
- ICT Authority and National Cybercrime Prevention Committee set up International Cooperation to fighting Cyber Crime
- ICT Authority creates awareness on Cyberlaws and the international dimension to fight cybercrime
- ICT Authority launches national campaign to educate the public about measures to prevent and deal with mobile phone theft

ICT Authority launches Consultation Paper on Quality of Service (QoS) Framework to improve ICT Service Standards in Mauritius

The Information and Communication Technologies Authority released a Consultation Paper aimed at defining a Quality of Service (QoS) framework for ICT services in Mauritius to coincide with World Telecommunications Day on 17 May. For the ICT Authority, this public consultation constitutes an important step towards a more effective industry monitoring and protection of end-users of ICT services and is in line with international regulatory trends to improve standards in ICT service performance via measurable and rigorous indicators.

The paper was uploaded on the Authority's website. The theme for the WTISD in 2010 was: 'Better cities, Better life with ICTs'. The ICT Authority's project is in line with international regulatory trends to improve standards in ICT service performance via measurable and rigorous indicators.

Quality of Service (QoS) as defined in **ITU-T Recommendation E.800** is "the collective effect of service performances which determine the degree of satisfaction of a user of the service".

QoS provides an indication of what the customers experience when using the network. Examples of such experience could be with regard to the time taken for service providers to install or restore services, the reliability of services, network coverage, billing inaccuracy and complaints handling.

In many countries, ICT regulatory bodies have adopted a policy of enforcing quality of service through regulation and directives. These usually require operators who provide ICT services to measure and report the quality of the services they provide. In turn the regulators publish these reports to enable the industry to use these indicators to set performance targets for improved standards. In Mauritius, ICT service providers are issued licences from the ICT Authority to operate their services. Under these licence conditions, the ICT Authority obliges its licensees "to maintain quality of service in accordance with international best-practices".

With the increase in service providers offering a wider range of services, the need for a comprehensive QoS framework to measure, monitor and improve service performance has become ever more important. The QoS framework proposed by the ICT Authority has taken into account best international practices.

Members of the public were invited to submit their views and comments in writing on the issues raised in this document with a cutoff point of 16 July 2010 at the latest.

The Authority also issued the following official message on the occasion of the World Telecommunications and Information Society Day (WTISD) 2010 – 17 May 2010

The 17 May marks **World Telecommunications and Information Society Day (WTISD)**. The purpose of the World Telecommunication and Information Society Day (WTISD) is to help raise awareness of the possibilities that the use of the information and communication technologies (ICT), including the Internet, can bring to societies and economies, as well as of ways to bridge the digital divide. At its 2009 session, the ITU Council adopted the theme: "Better city, better life with ICTs" to mark the World Telecommunication and Information Society (WTISD) Day in 2010. The theme of this year's WTISD aims to ensure that ICTs will contribute to a better future for the growing populations of urban centres.

In line with the above theme, the ICT Authority intends to implement a series of action lines which will ensure that ICTs can further contribute to a better future of Mauritian citizens. Such a holistic approach is based on the starting premises that no single action/project can achieve the set objective in a sustainable manner. The different action lines will aim at increasing, securing and improving quality of access to communication services in Mauritius. The specific measures will include the following:-

- I. Launch a Quality of Service QoS framework for communication services in Mauritius.
- II. Make connecting schools a priority and formal requirement in the disbursement of Universal Service Funds.
- III. Deploy a QoS measurement and assessment framework for Internet Broadband services in Mauritius.
- IV. Reinforcing the existing provisions to better curtail harmful and illegal content on the Internet though examination of the state of ISP-filtering framework deployed by ISPs under their present obligations.

Consumer Support Desk set up to better serve consumers and customers of the Authority

As part of its programme to protect consumers by empowering them to make informed choices, the Authority set up a Consumer Support Desk. Members of the public may phone the officers at the Consumer Support Desk to make a complaint; query about an ICT-related service offered by licensees of the Authority or query about other ICT-related topic or services which are offered by the Authority, such as applications for Dealers' Licence or Type Approval Certificates. The Consumer Support Desk enables the Authority to offer a service with a human face which complements the information already available and accessible online via the Authority's website. As such consumers may also drop in at the Consumer Support Desk to make their complaint or seek information.

The existing Consumer Complaints Mechanism was reviewed early in 2010 and a complaints form was also designed to facilitate the complaints handling process.

The Authority also began keeping a systematic complaints log which gives a snapshot of predominant categories of complaints as illustrated in the following charts. TABLE 4.1: Consumer complaints handled by the Authority from July - September 2009

	Complaints :	July - Sept 2009
1	Bill	2
2	Customer Care	1
3	EMF	
4	Faulty Product	
5	Handset - Lost Mobile	
6	Internet Content	
7	Legal	
8	Others	1
9	Postal Services	
10	Provision	2
11	Query	1
12	Repair	3
13	Security	1
14	SIM	1
15	VAT	

5	y the Authonity from October -	
	Complaints :	Oct - Dec 2009
1	Bill	6
2	Customer Care	4
3	EMF	2
4	Faulty Product	1
5	Handset - Lost Mobile	
6	Internet Content	
7	Legal	3
8	Others	14
9	Postal Services	
10	Provision	7
11	Query	1
12	Repair	2
13	Security	4
14	SIM	
15	VAT	1

CHART 4.1: Snapshot of categories of complaints handled from July - September 2009



CHART 4.2: Snapshot of categories of complaints handled from October - December 2009

% Complaints/Queries Oct-Dec 2009



TABLE 4.2: Consumer complaints handled by the Authority from October - December 2009

TABLE 4.3: Consumer complaints handled by the Authority from January - March 2010

	Complaints :	Jan- March 2010
1	Bill	7
2	Broadband	1
3	Customer Care	1
4	EMF	1
5	Faulty Product	
6	Handset - Lost Mobile	4
7	Legal	3
8	Others	3
9	Provision	6
10	Query	1
11	Repair	
12	Security	4
13	SIM	2
14	VAT	1
15	Website	1

TABLE 4.4: Consumer complaints handled by the Authority from April - June 2010

	Complaints	Apr - June 2010
1	Bill	3
2	Broadband	1
3	Customer Care	1
4	EMF	1
5	Faulty Product	1
6	Handset - Lost Mobile	3
7	Legal	4
8	Others	4
9	Provision	3
10	Query	1
11	Repair	1
12	Security	11
13	SIM	3
14	VAT	1
15	Website	



CHART 4.4: Snapshot of categories of complaints handled from April - June 2010 % Complaints/Queries Jan- Mar 2010



TABLE 4.5: Consumer complaints handled by the Authority from July - September 2010

	Complaints :	Jul - Sept 2010
1	Bill	3
2	Broadband	
3	Customer Care	1
4	EMF	2
5	Faulty Product	1
6	Handset - Lost Mobile	1
7	Legal	4
8	Others	3
9	Provision	
10	Query	
11	Repair	
12	Security	5
13	SIM	
14	VAT	
15	Website	

TABLE 4.6: Consumer complaints handled by the Authority from October - December 2010

	Complaints :	Oct - Dec 2010
1	Bill	1
2	Broadband	
3	Customer Care	
4	EMF	3
5	Faulty Product	
6	Handset - Lost Mobile	
7	Legal	3
8	Others	3
9	Provision	15
10	Query	2
11	Repair	
12	Security	2
13	SIM	
14	VAT	
15	Website	1

CHART 4.5: Snapshot of categories of complaints handled from July - September 2010



CHART 4.6: Snapshot of categories of complaints handled from October - December 2010

% Complaints/Queries Oct-Dec 2010



ICT Authority and National Cyber Crime Prevention Committee set up International Cooperation to fighting Cyber Crime

In view of protecting online users with regard to cybercrime, the National Cybercrime Prevention Committee was set up under the aegis of the ICT Authority and chaired by the chairperson of the ICTA. Examples of Cybercrime are identity theft, financial fraud and intellectual property theft. The NCPC was set up in September 2009 and dismantled in July 2010.

The National Cybercrime Prevention Committee (NCPC) was a statutory Committee. The Committee was mandated under section 11 of the ICT Act 2001 to:-

- provide advice for and support the promotion of a national culture of cybersecurity to minimize cybercrimes;
- (ii) facilitate the establishment of international cooperation on cybercrimes;
- streamline roles, responsibilities, linkages, procedures and cooperative arrangements necessary for an enhanced national approach for combating cybercrimes in coordination with the law enforcement communities and;
- (iv) strengthen Government-Industry partnerships to effectively combat cybercrimes.

ICT Authority creates awareness on Cyberlaws and the international dimension to fight cybercrime

To create greater awareness about Cybercrime and explore ways to fight Cybercrime across borders the Authority invited the Chairperson of India's Cyber Appellate Tribunal, Honourable Justice Rajesh Tandon for a programme of events in Mauritius in March 2010.

Justice Tandon gave a public lecture about the international dimension to fighting cybercrimes and on Cyber Laws at the Swami Vivekananda International Convention Centre, Pailles. The Chairman

of the ICT Authority Mr Trilock Dwarka chaired the National Cyber Crime Prevention Committee tasked with reviewing the state of play in fighting cyber crime but also with coming up with implementable recommendations.

Interacting with an audience of around 125 participants, comprising leaders from the ICT sector and law students and observers alike, Justice Tandon shared his wide experience in the field of cyber laws and in particular the Indian approach to bringing cyber criminals to justice not just in India but across other national jurisdictions.

The ICT Authority is one of the main partners in national efforts to combat cybercrime, that is crime committed through the use of computers, mobile handsets or any devices connected to a virtual network. Preventing and prosecuting cyber criminals is complex and requires a swathe of instruments including legislation, regulation, economic and technical measures to make the fight effective.

Honourable Justice Rajesh Tandon's visit to Mauritius was in line with efforts to step up international cooperation in the fight against cyber crime. The authorities concerned with cyber crime are seeking to benchmark against international best practices on these four fronts. Cyber crime range from gaining illegal access to confidential information held on computers and networks to computer-related crimes like identity theft often related to banking and financial fraud. There are also content related offences like child pornography, libel and defamation and spamming as well as the intrusion into privacy.

The core legislation in Mauritius to tackle cyber crime are the Computer Misuse and Cybercrime Act 2003 modelled on the Council of Europe's Convention on Cybercrime (2001); the ICT Act and the Data Protection Act. In drawing parallels between India and Mauritius, Justice Tandon was keen to point out that the Mauritian legal framework may differ from the Indian one in its arrangements and procedures but that when it comes to substantive provisions the Mauritian framework is on a par with its Indian counterpart in many respects.

The types of cyber crimes were highlighted by Honourable Mohammed Asraf Dulull, Minister of Information and Communication Technology who underlined the Government's concern to protect vulnerable citizens both in cyber space and offline since cyber crimes have the spill over effect of affecting real people in the real world.

Mr Dulull underlined that the setting up of the National Cyber Crime Prevention Committee is a reflection of the Government's commitment to put paid to the economic, social and moral damage wreaked by cyber criminals.

Mr Trilock Dwarka, the ICT Authority Chairman pointed to the challenges posed by cyber crime and the critical question of jurisdiction in the borderless world of cyberspace.

Dr Krishna Oolun, the Executive Director of the ICTA told the audience that the hope is that the public lecture will lead to a widened and informed debate on the subject of cyber laws and cyber crime amongst all stakeholders in Mauritius and advocate a culture of digital literacy and responsibility.

Honourable Justice Tandon also addressed Mauritian students from secondary schools in an interactive panel discussion to be held at Cyber Tower 1, **Ebène Cybercity** to discuss cyber crime and the dangers which young people face online. Dr. the Honourable



Some six hundred students from sixth form colleges were present

Vasant Bunwaree, Minister of Education, Culture and Human Resources launched the Authority's guide for students on how to stay safe in cyberspace entitled '**Be Safe in Cyber Space**'. The conference was organised with the collaboration of the Ministry of Education, Culture and Human Resources and the Ministry of Information and Communication Technology.



Honourable Justice Tandon addressing Mauritian students from secondary schools in an interactive panel discussion

Some six hundred students from sixth form colleges were present. In his address to them, Dr. Bunwaree emphasized that ignorance of the law will not serve as an excuse to anyone who commits a cyber crime. Dr. Bunwaree added that around the world many of the crimes and misdemeanours committed online are by young people. He welcomed the launch of the guide by the ICT Authority as one more step by the Mauritian authorities to inform young people of the pitfalls of being in cyberspace.

ICT Authority launches national campaign to educate the public about measures to prevent and deal with mobile phone theft

Across the world, mobile phone theft is a serious crime issue and a complex one for relevant authorities to curtail. In December 2009, the ICT Authority invited stakeholders to propose measures to curtail mobile phone theft. A national campaign was launched on 14 December 2009 to raise public awareness about the measures that can be taken to protect against theft. The ICT Authority published a list of authorized dealers on its website and in newspapers to recommend to consumers to purchase handsets from dealers licensed by the Authority. Such dealers, the public were informed, would have certificates issued by the Authority and displayed in a prominent place in their shops/showrooms. The other measure was that anyone importing or bringing in mobile handsets into the country must show customs officers a valid dealers' licence.

Consumers were also informed about the importance of knowing and keeping note of the International Mobile Equipment Identity or IMEI number which is the unique identity for the mobile handset and how to obtain this by pressing ***#06#**. The Authority also disseminated information about the precautions which owners of handsets could take to prevent loss or theft of their phones and published a set of guidelines for consumers.

The Authority also issued a Telecommunication Directive (TD 1 of 2009) to put more obligations on dealers to better protect consumers when they purchase a mobile phone. Another Telecommunication Directive was also released to enable mobile operators to blacklist mobile phones reported as lost.



ECONOMIC REGULATION

Department of Finance and Administration

- Background
- Decrease in IPLC Tariffs
- Decrease in tariffs for ILD services
- Decrease in tariffs for Internet Access Services
- Determination by ICTA on Applications for Tariffs of Telecommunications Services
 For the Financial Year: 01 July 2009 31 December 2010
- Public Notices

DEPARTMENT OF FINANCE AND ADMINISTRATION

The responsibility of ensuring effective and timely economic regulation of the ICT sector is focalized within the Department of Finance & Administration, under the directorate of Mr H. Bhoolah. A team of a dozen full time staff are involved in the operation of the said department, and are assigned to several units with different specialisations notably finance, tariffing & research, documentation and human resources. The holistic vision of the Department lies in assisting the organisation in nurturing a vibrant and competitive ICT industry, while optimising the internal operational functions of the Authority towards being a resilient and adaptive sector facilitator.

A highlight of the major programmes, projects and deliverables, overseen by the Department of Finance & Administration in the area of economic regulation, in line with the policy direction of the ICTA, is provided next for the year under review.

Background

The Authority has processed around 30 tariff applications (Annex 1) made by various licensed operators over the financial period from 01 July 2009 to 31 December 2010. The main determinations made by the ICTA thereon have resulted in overall reductions in the tariffs for international connectivity. international long distance and Internet access services respectively, coupled with the approval for the launch of a number of new prepaid and postpaid mobile data plans. A summary of the applicable tariffs for selected services is available at Annex 2. Another key highlight pertains to the commercial launch of the international bandwidth services in the form of a bilateral half circuit to Madagascar by Mauritius Telecom Ltd, following the completion of Phase 1 of the LION cable project.

Decrease in IPLC Tariffs

The ICTA has carried on with its mandate of reducing the tariffs for wholesale international bandwidth connectivity through its latest tariff determination on bilateral IPLC in November 2010, to the benefit of various sector stakeholders. International Private Leased Circuits (IPLC) is considered to be one of the basic requirements of Information Technology enabled services (ITES) like Business Processing Outsourcing (BPO), and thus, an average of 48% reduction in IPLC charges for the period 2006 - 2010 on E1 (2 Mbps) has helped in improving the business climate across the ICT industry. The testimony of such a tariff revision has seen the likes of ILD operators and Internet Service Providers (ISP) submitting their respectively applications for tariff reduction accordingly. The impending benefits have been ultimately passed on to end users. The chart below depicts a five-year outlook of the evolution of Bilateral Half Circuits charges for E1 connectivity.

Chart 5.1: Evolution of Bilateral Half Circuit tariffs for E1

Evolution of IPLC Tariffs (Bilateral Half Circuits)



----- South Africa ------ Portugal ------ India ------- Malaysia ------- Reunion

In December 2009, Mauritius Telecom Ltd has further extended the route for the bilateral half circuit scheme to Madagascar upon completion of Phase 1 of the Lower Indian Ocean Network (LION) undersea cable. This trend will be further extended with the advent of the LION Phase 2, Eastern Africa Submarine cable System (EASSy) and Europe India Gateway (EIG) submarine cables respectively in the near future, therefore rendering onward connectivity to local people at an even more competitive rate.

Decrease in tariffs for ILD services

The extent of effective competition across the numerous licensed ILD operators in the outgoing ILD market segment has translated to frequent price revisions especially to popular calling destinations. The decreases in the tariffs for international connectivity, together with improved termination rates, have further boosted the ability of market players to compete even more, to the benefit of the end user. With reference to Annex 2, the cheapest postpaid IDD tariffs available have been provided for a sample of popular destinations over the period 2006 – 2010 respectively.

The tariff of calls terminating to China for example have experienced a significant decrease of nearly 53% over the aforementioned period and basically this trend is consistent in terms of the call rates evolution for other high traffic destinations. In fact, an IDD call to China now costs as low as Rs 2.70 per minute. On average, a 39% reduction on major selected destinations has been observed. Similarly with regards to Internet Telephony calls on main routes, the decrease in per minute tariff has been calculated on average at 28% for the period in question.

Decrease in tariffs for Internet Access Services

With regards to broadband Internet access, though major improvements have taken place in terms of affordability, same has tended to happen periodically. Chart 5.2 illustrates the evolution of the tariffs for a typical ADSL 512 kbps connection over the past five years. While a significant price decrease has indeed occurred – 51% reduction on the home offer compared to 25% on the business offer, with an average drop of 38% combined together, on the 512 Kbps package – it is highlighted that this has coincided with a decrease in the cost of international bandwidth connectivity accordingly.

As for the financial period under study, a tariff reduction of approximately 13% on average for home offers has been recorded; a 5% on average for pro offers; and more or less 6% on average for business packages respectively.





The balance of competition has indeed swung from being service based towards becoming facilitiesbased, characterised by the deployment of wireless networks such as Wimax, in conjunction with the continued network investment by mobile operators to adorn the ISP landscape in Mauritius. A glance at the evolution of Wimax tariffs for an asymmetric 512 kbps Home package today is commercialised at Rs 1400 per month, resulting in a price drop of approximately 26% as compared to the Rs 1900 per month marketed in 2006 on its onset. In addition, the interplay of the mobile platform as an increasingly trendy mode of access to the Internet by 2010 is no coincidence. Over the said period, various mobile and wireless data packages have been launched, in tandem with the expanded capabilities of new mobile handsets and the new generations of laptops and other PDAs. This was initially highlighted by a shift in the pricing principle for such services, notably from a time-based per minute charge to data consumption (per Megabyte) based charge. In terms of tariffs for Internet access over mobile platforms, in 2006, a 1GB postpaid plan over 3G networks was being sold for Rs 750 per month, entitling the subscribers to speeds up to 384 kbps. The same package is now priced at Rs 299 per month, implying a reduction of nearly 60%, as identified next.

However, the unrelenting growth within the ISP panorama may be somewhat hindered by the fact that present networks, whether fixed or mobile, were engineered to be as efficient as possible for the carriage of voice traffic, and are by definition not optimised for the delivery of data services, implying a limited potential for growth. It is imperative, therefore, to promote additional facilities-based competition, such as investment in land based fibre networks, and hopefully the planned investment by some established operators towards a migration to Next Generation Networks will unleash further avenues for the development of a 'Green' ISP market in Mauritius.

Chart 5.3: Evolution of Mobile Data – 1 GB postpaid plan





ANNEX 1

Determination by ICTA on Applications for Tariffs of Telecommunications Services For the Financial Year: 01 July 2009 – 31 December 2010

Month	Operator	Tariff Approval by Service	Details
Jul-09	Emtel	Prepaid ITS & Postpaid IDD 030 - Selected destinations	Tariff reduction of 40.8% on average for calls to selected destinations under postpaid IDD service; Tariff reduction of 11.1% on average for calls to selected destinations under prepaid ITS service
	Cellplus	Internet Everywhere	Tariff Reduction varying between 12 - 26 % & tariff increase of 12% depending on selected postpaid plans; Launch of 1 new postpaid plan & 2 new prepaid packages; Launch of a 'Pay as you go' package for casual users
	DCL	Prepaid ITS & Postpaid IDD 040	Tariff realignment between prepaid ITS & postpaid IDD service; Move from peak/off peak to uniform pricing for postpaid IDD service; Tariff reduction of 13% on average over comprehensive list of destinations compared to a tariff increase of 19% on average over a number of selected low traffic destinations
	Cellplus	WAP browsing	Launch of New WAP package
Sep-09	Hot Link	Prepaid ITS & Postpaid IDD 050 - Selected destinations	Tariff reduction of 8.1% on average for calls to selected destinations under prepaid ITS service; Tariff reduction of 14.8% on average for calls to selected destinations under postpaid IDD service
	MTML	Prepaid & Postpaid IDD 060 - Selected destinations	Tariff reduction of 17% on average for calls to selected destinations under prepaid IDD service; Tariff reduction of 15.8% on average for calls to selected destinations under postpaid IDD service
	Hot Link	Prepaid ITS & Postpaid IDD 050 - Selected destinations	Tariff reduction of 12.4% on average for calls to selected destinations under prepaid ITS service; Tariff reduction of 15.6% on average for calls to selected destinations under postpaid IDD service
Nov-09	City Call	Postpaid IDD 070 - Selected destinations	Move from peak/off peak to uniform pricing for postpaid IDD service; Tariff reduction of 12% on average for calls to selected destinations
	Hot Link	Prepaid ITS - Selected destination	Tariff reduction of 10% for calls to China under prepaid ITS service
	Cellplus	Revision of Mobile Internet packages	Tariff Reduction varying between 12 - 33 % & tariff increase of 12% depending on selected postpaid plans; Launch of 1 new postpaid plan & 4 new prepaid packages
Dec-09	Mauritius Telecom	Bilateral Half Circuit - Madagascar	Commercial launch of Half Circuit to Madagascar, upon completion of LION Cable Project Phase 1
	Mauritius Computing Services	Retail ADSL - Business offers	Tariff reduction varying between 15 to 21% depending on selected ADSL business packages

TABLE 5.1: Applications for Tariffs of Telecommunications Services - Financial Year: 01 Jul 09 - 31 Dec10

TABLE 5.1: Determination by ICTA on Applications for Tariffs of Telecommunications ServicesFor the Financial Year: 01 July 2009 – 31 December 2010 (continued)

Month	Operator	Tariff Approval by Service	Details
Jan-10	ADBN	Nomad Home Packages - Tariff revision	Tariff Reduction: Min 26.3%; Max 43.9% based on chosen packages
Mar-10	Cellplus	Blackberry Packages - New offers	Launch of 3 prepaid and 1 postpaid Blackberry offers
	Emtel	Prepaid & Postpaid Mobile plans	Introduction of Hybrid plans; Introduction of prepaid bundles with preset call / data / sms allowance, with global savings made compared to approved tariffs; Introduction of new prepaid tariffs (time based or by interest group) leading to savings between 20 to 33%
Apr-10	T@media	Postpaid IDD 044	Tariff reduction of 30% on average
	Hot Link	Prepaid ITS - Selected destination	Tariff reduction of 7% on calls to India
	Mauritius Computing Services	IP over SHDSL	Launch of new IP over SHDSL offers
Jun-10	Cellplus	Mobile Internet	Launch of New 20 MB Postpay offer
	Emtel	Blackberry Packages - New offers	Launch of 4 prepaid offers and revision of 1 postpaid offer by 26%
Jul-10	Hot Link	Postpaid IDD 050	Tariff Reduction of 8.1% on average on calls to major destinations; Tariff increase of 84% on average on calls to low traffic destinations
	Emtel	Prepaid ITS & Postpaid IDD 030 - Selected destinations	Tariff reduction of 29% on average for calls to selected destinations under Postpaid IDD service; Tariff reduction of 5.5% on average for calls to selected destinations under Prepaid ITS and 42% increase in tariffs on calls to Switzerland. Tariff Realignment of ITS & IDD services
	Emtel	Wimax Internet Connection	Tariff revision for 4 new wimax internet plans, with equipment costs included; Tariff Reduction varying between 6 - 35%, compared to 13 - 58% increase depending on selected offer & level of bandwidth
Aug-10	Emtel	Prepaid web packages under HSDPA service	Launch of 2 new prepaid plans under HSDPA data service
	Emtel	Prepaid web packages under 3G service	Launch of 2 new prepaid plans under 3G data services
	DCL	Prepaid ITS & Postpaid IDD 040	Tariff reduction of 11% on average over some 54 destinations, inclusive of major destinations; Tariff increase of 51% on average on some 36 low traffic destinations
Nov-10	City Call	Postpaid IDD 070 - Selected destinations	Tariff reduction of 21.4% on average for calls to 12 selected destinations under Postpaid IDD service
	Mauritius Telecom	Prepaid ITS & Postpaid IDD 020 - Selected destination	Tariff reduction of 38.1% from peak tariffs for calls to Pakistan under postpaid IDD service; Tariff reduction of 25.3% for calls to Pakistan under prepaid ITS service
	Mauritius Telecom	Bilateral IPLC - Half Circuits	Tariff reduction of 8.9% to 18.2% on average depending on selected routes
	Emtel	Prepaid web packages under HSDPA service	Marginal downward tariff revision of 2 prepaid plans under HSDPA data service
	Telecom Plus	Retail ADSL packages	Tariff reduction of 13.3% on average for home; Tariff of 5.0% on average for pro offers; Tariff reduction of 5.6% on average for business offers
	Emtel	Prepaid web packages under 3G service	Marginal downward tariff revision of 2 prepaid plans under 3G data services
Dec-10	Cellplus	Mobile Internet	Launch of 2 new prepay and 1 postpay offers

ANNEX 2

TABLE 5.2: Summary of Applicable Tariffs for Selected Services

	2006	2007	2008	2009	2010
TARIFFS FOR POSTPAID SERVICE - Outgoing IDD Calls (Rs/min) to:					
UK	5.75	5.50	4.00	4.00	4.00
France	5.75	5.50	4.00	4.00	4.00
India	6.50	6.50	4.50	3.90	3.90
China	5.75	5.50	4.00	3.00	2.70
USA	5.95	5.50	4.00	4.00	3.50
TARIFFS FOR PREPAID MOBILE TELEPHONY SERVICE (Rs)					
Mobile to Mobile On-net call of 3 minutes duration	3.60	2.40	2.40	2.40	2.40
Mobile to Mobile Off-net call of 3 minutes duration	11.70	10.80	5.40	5.40	5.40
Mobile to Fixed call of 3 minutes duration	13.05	10.80	8.10	8.10	8.10
FIXED WIRED - ADSL					
ADSL 512 kbps (Unlimited Volume Usage):					
Residential use	1,360	1,360	1,360	750	673
Business use	3,190	3,190	3,190	2,500	2,400
ADSL 1 Mbps (Unlimited Volume Usage)					
Residential use	5,990	5,990	5,990	1,360	1,190
Business use	5,990	5,990	5,990	5,000	4,900
FIXED WIRELESS - WIMAX					
Asymmetric 512 Kbps Home	1,900	1,900	1,900	1,900	1400
MOBILE DATA - 3G / HSDPA / GPRS					
Postpaid plan of 1 GB capacity	750	399	299	299	299

Notes:

1. The tariffs provided for the relevant service markets refer to the cheapest approved tariffs being commercialised across licensed operators for a given year.

2. The tariffs provided refer to selected service categories in order to allow for indicative and consistent comparisons.

Public Notices

Under Section 24 of the Information and Communication Technologies Authority Act 2001 (as amended), the ICT Authority is required to give public notice for applications for licences it has received; under Section 10 of the Postal Services Act 2002, the Postal Authority must also give notice for applications for licences it has received and in accordance with Section 31(3)(b) of the Information and Communication Technologies Act 2001 (as amended), the Authority must give public notification of applications in respect of determinations of tariffs.

During the period from 1 July 2009-2010, the ICTA published the following notices and adverts in local media.

Table 5.3 of Notices Published for the period 1 July 2009 to December 2010

News Releases	2009	14
	2010	12
Application for Licence Notices	2009	24
	2010	40
Tariff Notifications	2009	11
	2010	9
Vacancies	2009	2
	2010	0

SERVICE REGULATION

Licences granted and renewed

Licences granted and renewed

Under section 24 of the ICT Act, the Authority has the statutory duty to receive applications for licences by any person and to make a determination thereon. During the financial year July 2009 - December 2010 the following licences were either granted or renewed; the details are provided in the table hereunder:-

TABLE 6.1: Licences granted and/or renewed for the following licensees

ypes of Licence	Licensees	Total
. Dealer's Licence	 M&E Commercial Engineers Ltd 	
	 Sotravic Ltee 	
	 Island Communications Ltd 	
	 Roshan Mobile 	
	 Harel Mallac Technologies Ltd 	
	D.A.Y Marine & Services Ltd	
	T.A.S.K Informatics Ltd	
	 Kaira (Mauritius) PVT Ltd 	
	Powersure Ltd	
	Just Chill Co Ltd	
	Soft Lights Ltd	
	Chae Co Ltd	
	 Mr S. V. Padayachy (Marine Radio Sales 	& Services)
	 Blanche Birger Co Ltd 	
	 Saya Informatics & Consulting Ltd 	
	IPCOM Solutions Ltd	
	Netera.Com	
	 All Import and Export Co Ltd 	
	 HM Rawat Communications Ltd 	
	 Benazir Binte Kapadia Ltd 	
	 Currimjee Informatics Ltd 	
	 Digital Link Ltd 	
	 Mohammad Ally Ackbar 	
	 Seatronics (Mauritius) Ltd 	
	Nettobe Ltd	
	Manickchand Group Ltd	
	Chetronics Ltd	
	Cellplus Mobile Communications Ltd	
	Telecom Plus Ltd	

TABLE 6.1: Licences granted and/or renewed for the following licensees (continued)

	Types of Licence	Lie	censees	Total	
			Mr Doomah Djameel		
			Emtel Ltd		
			Quick Computers Supplies Ltd		
			RapidTech International Ltd		
			Everywhere Connect Co Ltd		
			Kenho Ltd		
			Zenith Computers Ltd		
			BNL Trading Ltd		
			London Telephone Systems Ltd		
			Cybershot Ltd		
			Mr Yuk Thoy Ah Yuen		
			Cellplus Mobile Communications Ltd		
			Telecom Plus Ltd		
			Phone Univers Ltd		
			Shaintech Informatics Ltd		
			Distripc Ltd		
			Usertech Solutions Ltd		
			Applitel Ltee		
			Micros-Fidelio (Maurice)		
			Quicknet Technologies Ltd		
			Mr Shezaadah Jumon		
			Rao Ltd		
			Phone World Ltd		
		-	Mobile Shop Ltd	53	
2.	ILD operations [extension of start of ILD operations]	Equ	uant Mauritius Services Ltd	1	
3.	Data Service Licence	Bh	umishq Technologies Ltd	1	
4.	Value Added Services	CIN	/l Finance Ltd	1	
5.	Internet Service Licence	Ent	erprise Data Services Ltd	1	



REPORT OF THE DIRECTOR OF AUDIT

On the Financial Statements of the Information and Communication Technologies Authority for the 18 months ended December 2010

-NATIONAL AUDIT OFFICE _____

REPORT OF THE DIRECTOR OF AUDIT TO THE BOARD OF THE INFORMATION AND COMMUNICATION TECHNOLOGIES AUTHORITY

Report on the Financial Statements

I have audited the accompanying financial statements of the Information and Communication Technologies Authority which comprise the statement of financial position as of 31 December 2010, the statement of financial performance and the statement of cash flows for the 18 month -period then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for any audit opinion.

Opinion

In my opinion, the financial statements give a true and fair view of the financial position of the Information and Communication Technologies Authority as of 31 December 2010, and of its financial performance and its cash flows for the 18 month-period then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

The Authority adopted only the conditions of service prevailing in the civil service, recommended by the PRB report 2008. However, cases of departures from the recommendations of the Report were noted such as interest on car loan, eligibility to travel grant, refund of subscription fees which were provided at more favourable terms.

My opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements.

Management's Responsibility

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the laws and authorities which govern them.

Auditor's Responsibility

In addition to the responsibility to express an opinion on the financial statements described above, my responsibility includes expressing an opinion on whether the activities, financial transactions and information reflected in the financial statements are, in all material respects, in compliance with the laws and authorities which govern them.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Opinion

Statutory Bodies (Accounts and Audit) Act

In my opinion, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the Statutory Bodies (Accounts and Audit) Act.



(Dr R. JUGURNATH) Direct of Audit National Audit Office Level 14, Air Mauritius Centre Port Louis

13 March 2012

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010

		31 December 2010	30 June 2009
	Note	Rs	Rs
ASSETS			
Non-current assets			
Plant and equipment	6	9,223,895	9,877,214
Other receivables	10	3,098,013	3,530,652
		12,321,908	13,407,866
Current assets			
Trade receivables	9	13,546,528	11,337,587
Other receivables	10	28,659,994	4,405,822
Investments in deposits		-	250,000,000
Cash and bank balances	11	274,912,426	79,288,579
		317,118,948	345,031,988
TOTAL ASSETS		329,440,856	358,439,854
EQUITY AND LIABILITIES		020,110,000	000,100,001
Capital & Reserve			
Equity	12	271,875,985	276,544,416
Revaluation Reserve	13	1,678,302	1,678,302
		273,554,287	278,222,718
Non-current liabilities			
	14	2.070.100	2 020 000
Retirement benefit obligations	14 15	2,079,196	2,820,000
Long term employee benefits	10	6,571,531	5,743,689
Current liabilities		8,650,727	8,563,689
Special deposits	16	_	22,907,769
Creditors and payables	17	45,438,111	47,584,397
Short term employee benefits	15	1,797,731	1,161,281
		47,235,842	71,653,447
TOTAL EQUITY AND LIABILITIES		329,440,856	358,439,854

These Financial Statements were approved by the Board of the ICT Authority on 18 January 2012. Signed on their behalf:

Mr Trilock Dwarka (Chairman)

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Dr M. K. Oolun (Executive Director)

		18 months ended 31 December 2010	Year ended 30 June 2009
	Note	Rs	Rs
Revenue	18	189,013,697	129,126,748
Other income	19	49,202,193	17,819,317
		238,215,890	146,946,065
Administrative expenses	20	(102,531,734)	(55,524,607)
Other expenses	21	(83,138,323)	(20,869,566)
NET SURPLUS		52,545,833	70,551,892
Exceptional Items:			
Contribution - Board of Investment	12	(10,000,000)	-
Non Operating Income	16	2,785,736	-
		45,331,569	70,551,892
Other Comprehensive Income:			
Gain on Plant & Equipment Revaluation	13	-	1,678,302
Total Comprehensive Income for the Period		45,331,569	72,230,194

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2010

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2010

	Accumulated Fund Rs	Revaluation Reserve Rs	TOTAL Rs
Balance as at 1 July 2008	245,992,524	-	245,992,524
Surplus for the year ended 30 June 2009	70,551,892	-	70,551,892
Revaluation Reserve	-	1,678,302	1,678,302
Contribution to the Consolidated Fund	(40,000,000)	-	(40,000,000)
Balance as at 30 June 2009	276,544,416	1,678,302	278,222,718
Surplus for 18 months ended 31 December 2010	45,331,569	-	44,327,390
Contribution to the Consolidated Fund	(50,000,000)	-	(50,000,000)
Balance as at 31 December 2010	271,875,985	1,678,302	272,550,108



CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2010

	18 months ended 31 December 2010 Rs	Year ended 30 June 2009 Rs
CASH FLOW FROM OPERATING ACTIVITIES		
Surplus for the year	45,331,569	70,551,892
Adjustments for:	-,	-,,
Depreciation	7,996,958	3,007,427
Loss on disposal	12,060	98,428
Profit on disposal	(1,352,000)	-
Decrease in retirement benefit obligations	(740,803)	(1,078,000)
	5,916,215	2,027,855
Operating surplus before working capital changes	51,247,784	72,579,747
Increase in trade receivables	(2,208,941)	(744,942)
Increase in other receivables	(23,821,534)	(3,923,923)
(Decrease)/Increase in special deposits	(22,907,769)	1,301,039
Increase in employee benefits	1,464,292	3,513,299
(Decrease)/Increase in creditors & payables	(2,146,286)	40,768,397
Net change in working capital	(49,620,238)	40,913,870
Net cash flows from operating activities	1,627,546	113,493,617
INVESTMENT ACTIVITIES		
Purchase of plant & equipment	(7,355,699)	(5,178,610)
Proceeds from disposal	1,352,000	30,000
·	(6,003,699)	(5,148,610)
FINANCING ACTIVITIES		
Transfer to consolidated fund	(50,000,000)	(40,000,000)
INCREASE IN CASH AND CASH EQUIVALENTS	(54,376,153)	68,345,007
CASH AND CASH EQUIVALENTS AT 1 JULY 2009	329,288,579	260,943,572
CASH AND CASH EQUIVALENTS AT 31 DECEMBER 2010	274,912,426	329,288,579
Comprising of:- Investment in term deposits		250,000,000
- Cash and bank balances	79,288,579	329,288,579
1. MAIN ACTIVITY OF THE AUTHORITY

The ICT Authority was established under the Information and Communication Technologies Act 2001 in order to regulate and democratise information and communication technologies and related matters.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

Standards and Interpretations in issue but not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations were in issue but not yet effective:

Amendments to IAS 1: Amendments relating to Disclosure of Puttable Instruments and Obligations arising on Liquidation

- IAS 23: Borrowing Costs Comprehensive Revision to Prohibit Immediate Expensing
- IAS 27: Consolidated and Separate Financial Statements Consequential Amendments Arising from Amendments to IFRS 3
- IAS 28: Investments in Associates Consequential Amendments Arising from Amendments to IFRS 3
- IAS 31: Investments in Joint Ventures Consequential Amendments Arising from Amendments to IFRS 3
- IFRS 2: Share-Based Payments Amendment Relating to Vesting Conditions and Cancellations
- IFRS 3: Business Combinations Comprehensive Revision on Applying the Acquisition Method
- IFRS 8: Operating Segments
- IFRIC 12: Service Concession Agreements
- IFRIC 13: Customer Loyalty Programmes
- IFRIC 14: The Limit on a Defined Asset, Minimum Funding Requirements and Their Interactions
- IFRIC 15: Agreements for the Construction of Real Estate
- IFRIC 16: Hedges of a Net investment in a Foreign Operation

The directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Authority.

3. CHANGE IN ACCOUNTING DATE

Pursuant to amendments brought to the Statutory Bodies (Accounts and Audit) Act 2009 providing for interalia, the alignment of the financial year to the calendar year and the preparation of financial statements for a period of 18 months ending 31 December 2010, the financial statements of the Authority have been prepared accordingly covering the period starting 1 July 2009 to 31 December 2010.

4. ACCOUNTING POLICIES

The principal accounting policies adopted by the Authority are as follows:

(a) Basis of accounting

The Financial Statements have been prepared in accordance with applicable International Financial Reporting Standards (IFRS), including International Accounting Standards (IAS) issued by the International Accounting Standards Board (IASB).

(b) Revenue Recognition

Revenue, which represents licence fees receivable, has been accounted on an accrual basis, and is recognized upon issue of claims to licensees.

(c) Expenditure

All expenses have been accounted on accrual basis.

(d) Plant and equipment – depreciation and revaluation

Plant and equipment are stated at cost less accumulated depreciation. However, computer equipment and technical equipment have been revalued by management based upon the Fair Value Model.

(i) Depreciation is calculated to write off the cost of plant and equipment on a straight line basis over the expected useful lives of such assets. The annual depreciation rates used for the purpose are as follows:-

ltem	(%)
Furniture & Fittings	10
Office Equipment	20 - 33 1/3
Computer Equipment & Software	33 1/3
Motor Vehicles	20
Technical Equipment	20

(ii) Full depreciation is charged in the year of acquisition and no depreciation is charged in the year of disposal.

(iii) Fully depreciated assets still in use are revalued and depreciated over their estimated future useful lives.

(e) Impairment of Tangible Assets

At each date of Statement of Financial Position, the Authority reviews the carrying amounts of its tangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Authority estimates the recoverable amount of the cash generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell 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 which the estimated of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation Decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment is recognized immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(f) Financial instruments

Financial assets and liabilities are recognized on the Statement of Financial Position when the Authority has become party to the contractual provisions of the financial instruments. Financial instruments are initially measured at cost, which includes transaction costs. Subsequent to the initial recognition, these instruments are measured as set out below:

(i) Trade receivables

Trade receivables are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

(ii) Other receivables

Other receivables are stated at their nominal value.

(iii) Investments in deposits

Investments in deposits comprise term deposits in local commercial bank accounts. The Investments in deposits are stated at amortised cost.

(iv) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances, and investments in deposits.

(v) Creditors and payables

Creditors and payables are stated at their nominal value.

(g) Retirement Benefit Obligations

The Authority contributes to a pension scheme, which is a 'Defined Benefit' plan. The assets of the fund are held independently and administered by the State Insurance Company of Mauritius Ltd (SICOM).

The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each date of Statement of Financial Position. A Corridor Method was adopted for the recognition of actual gains and losses with respect to the defined benefit plan. Actuarial gains and losses which exceed ten per cent of the greater of the present value of the pension obligations and the fair value of plan assets are recognised in the financial year following their recurrence.

The amount recognised in the Statement of Financial Position represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to unrecognised actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

A portion of actuarial gains or losses will be recognised as income or expense if the net cumulative unrecognised actuarial gains or losses at the end of the previous accounting period exceeded the greater of:

- 10% of the present value of the defined benefit obligations at that date; and
- 10% of the fare value of the plan asset at that date.
- (h) Provisions

Provisions are recognized when the Authority has a present obligation as a result of past event, which it is probable, will result in an outflow of economic benefits that can reasonably be estimated.

Provision for Allowances for Doubtful Debts

Trade receivables are stated at their nominal value, as reduced by appropriate allowances for estimated irrecoverable amounts, and comprise claims for licence fees due at year end. The claims are issued to all licensees of the Authority based upon the applicable licence fees as per regulations. A certain number of claims are expected to be irrecoverable owing to the fact that firstly, the licensees have closed down, and secondly, the equipment to which the claims pertained have either broken down or are no longer being used.

Appropriate amounts, based upon past experience and facts submitted by licensees, have been earmarked in the provision for allowances for doubtful debts. In assessing the recoverability of trade receivables, Management considers the ageing of the claims due. During the year, additional provision of Rs 1,586,156 was made.

(i) Use of estimates

The preparation of financial statements in accordance with International Financial Reporting Standards and generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from these estimates.

(j) Related Parties

For the purposes of these Financial Statements, parties are considered to be related to the Authority if they have the ability, directly or indirectly, to control the Authority or exercise significant influence over the Authority in making financial and operating decisions, or where the Authority is subject to common control or common significant influence. Related parties may be individuals or other entities.

5. RISK MANAGEMENT POLICIES

(i) Credit Risk

Credit risk relates to the possibility of default by licencees in settling their claims obligations to the Authority.

For major commercial licences, the Act provides for the obligation of the licensee to furnish a Bank Guarantee, which the Authority can enforce to should the claims for licence fees are not honoured. This mitigates the credit risk exposure of the Authority with regard to the recoverability of the licence fees and the possibility of material loss arising.

(ii) Liquidity Risk

This refers to the possibility of default by the Authority to meet its obligations because of unavailability of funds to meet both operational and capital requirements. In order to ensure adequacy of its funding, cash flow

forecasts are prepared periodically to identify any shortage of funds. The expenditure of the Authority is also matched against budget estimates to be within targeted limits.

The single major outflow of the Authority comprises the contribution to the Consolidated Fund. The amount payable is based on budget estimates, as may be adjusted for any actual non-budgeted recurrent and/or capital expenditure, to arrive at the surplus transferable funds.

6. PLANT AND EQUIPMENT

	Furniture & Fittings	Office Equipment	Computer Equipment & Software	Motor Vehicles	Technica Equipmer	
	Rs	Rs	Rs	Rs	Rs	Rs
COST						
Balance as at 01 July 2009	2,006,483	2,094,638	8,206,907	18,920,800	4,873,955	36,102,783
Additions for 18 months	465,966	374,622	5,104,354	950,000	460,757	7,355,699
Adjustment (see note below)			(449,536)		(2,347,634)	(2,797,170)
Disposal/Scrapped		(150,544)	(4,356,880)	(9,171,300)		(13,678,724)
Balance as at 31 DECEMBER 201	0 2,472,449	2,318,716	8,504,845	10,699,500	2,987,078	26,982,588
DEPRECIATION						
Balance as at 01 July 2009	881,333	1,580,379	7,621,985	13,421,200	2,720,672	26,225,569
Charge for the year	370,867	563,309	2,956,807	3,209,850	896,125	7,996,958
Adjustment (see note below)			(449,536)		(2,347,634)	(2,797,170)
Disposal/Scrapped		(138,484)	(4,356,880)	(9,171,300)		(13,666,665)
Balance as at 31 DECEMBER 201	0 1,252,200	2,005,204	5,772,376	7,459,750	1,269,163	17,758,692
NBV - 31 December 2010	1,220,249	313,512	2,732,469	3,239,750	1,717,915	9,223,895
NBV - 30 June 2009	1,125,150	514,259	584,922	5,499,600	2,153,283	9,877,215

The above adjustments to cost and depreciation pertain to correction regarding the original cost of assets revalued and the related accumulated depreciation, now being removed from assets block total.

7. SURPLUS FROM OPERATIONS

Surplus for the year is arrived at after charging the following items:

	18 months ended 31 December 2010 Rs	Year ended 30 June 2009 Rs
Staff Costs	54,781,497	30,445,162
Depreciation	7,996,958	3,007,427
Employees at end of year	Number 59	Number 46

8. FINANCIAL INSTRUMENTS

In its ordinary operations, the Authority is exposed to financial risk, more precisely to credit risk.

Fair values

The carrying amounts of the Authority's financial assets and financial liabilities reflect their nominal values.

Credit risk

The Authority's credit risk is attributable to its Trade Receivable and Other Receivables. The amounts stated in the Statement of Financial Position are net of allowances for impairment of debts, estimated on prior experience.

Interest rate risk

The Authority does not have significant concentration of interest risk.

9. TRADE RECEIVABLES

Trade Receivables represent licence fees due at year end (31 December 2010: Rs 13,546,528; 30 June 2009: Rs 11,337,587), and are stated net of provision for impairment of debts.

Movement in allowances for doubtful debts account:

	Rs
Balance as at 1 July 2009	2,476,585
Additional provision during the period	1,586,156
Irrecoverable claims (see note below)	(510,704)
Delense er et 21 Desember 2010	0.550.007
Balance as at 31 December 2010	3,552,037

Irrecoverable claims (Rs 510,704) pertain to amounts which cannot be recovered as licensees have either ceased operation of equipment or closed down – same have been set off against amount of allowances previously overprovided.

10. OTHER RECEIVABLES

	31 December 2010 Rs	30 June 2009 Rs
	115	115
Interest on deposits	-	1,922,643
Loans	4,210,225	4,548,535
Prepayments	3,242,103	1,465,296
Universal Service Fund (see note 1 below)	2,058,700	
Fraud Tracking Contributions Due (see note 2 below)	22,246,979	-
TOTAL	31,758,007	7,936,474
Receivable within 1 year	28,659,994	4,405,822
Receivable after 1 year	3,098,013	3,530,652
	31,758,007	7,936,474

Note 1: USF

An amount of Rs 2,058,700 was paid out of the general fund to meet the cost of acquisition of an equipment which should have normally been disbursed from the USF. However sufficient funds were not available in the USF at that material time. The said amount will be refunded to the general fund and has accordingly been accrued under other receivables.

Note 2: Fraud Tracking Contributions Due

The information and Communication Technologies (Fraud Tracking Account Charge) Regulations 2010 provides that International Long Distance (ILD) operators contribute an amount of USD 0.02 per minute of terminating calls into the Fraud Tracking Account. Contributions amounting to Rs 22,246,979 are accrued as at 31 December 2010 from ILD Operators.

11. CASH AND BANK BALANCES

	31 December 2010	30 June 2009	
	Rs	Rs	
Cash at Bank	274,673,579	79,282,191	
Cash at Bank - FRAUD TRACKING	221,401	-	
Cash in Hand	17,446	6,388	
TOTAL	274,912,426	79,288,579	

12. TRANSFER TO CONSOLIDATED FUND

The Authority contributes a sum to the Consolidated Fund (formely Capital Fund) of the Government of Mauritius from the General Fund in terms of the provisions of the Information and Communication Technologies Act 2001 based on income and expenditure estimates, and as determined by the Board of the Authority. Initially an amount of Rs 60,000,000 was earmarked for payment into the Consolidated Fund. During the year an amount of Rs 10,000,000 was paid to the Board of Investment for the promotion of Mauritius as a Cost-Competitive, High Quality Outsourcing Destination. Accordingly, an amount of Rs 50,000,000 has been paid into the Consolidated Fund. (2010: Rs 50,000,000; 2009: Rs 40,000,000).

The transfer of Rs 50,000,000 has been treated as a movement (decrease) in equity.

13. REVALUATION RESERVE

The revaluation reserve consists of fair value reserve arising on revaluation of fixed assets. The following assets were revalued:-

Date of Revaluation	Class of Assets	Increase in Carrying Amount Rs
30.06.2009	Technical Equipment	1,408,580
30.06.2009	Computer Equipment	269,722
Amount recognised in revaluat	ion reserve	1,678,302

Basis of Revaluation

No independent valuer was involved. Technical Equipment was revalued based upon estimate received from supplier for the equivalent models and specifications. Computer equipment was revalued based upon best Management estimate benchmarked upon prevailing market prices for items concerned.

Management is of the opinion that the above assets still carry the above stated amounts.

14. RETIREMENT BENEFIT OBLIGATIONS

In conformity with the provisions of the IAS 19 – Employee Benefits, the Authority has included its retirement benefit obligations in the financial statements. The pension scheme of the Authority is a defined benefit plan, and the assets of the funded plan are held independently and administered by SICOM Ltd.

Amounts recognised in balance sheet at end of year:	18 months ending 31 December 2010 Rs	Year ending 30 June 2009 Rs
Present value of funded obligation (Fair value of plan assets)	26,759,482 (16,490,893)	19,435,498 (11,392,377)
Present value of unfunded obligation Unrecognised actuarial gain/(loss) Unrecognised transition amount Liability recognised in	10,268,589 2,071,431 (10,260,824) 0	8,043,121 0 (5,222,288) 0
balance sheet at end of year	2,079,196	2,820,833
Amounts recognised in income statement: Current service cost (Employee Contributions) Fund expenses Interest cost (Expected return on plan assets) Actuarial loss/(gain) recognised Past service cost recognised Transition effect of adopting IAS 19 Settlement in respect of Past Service	2,518,706 (1,758,652) 117,933 3,061,091 (2,029,642) 126,105 0 0 0	1,492,172 (1,068,010) 75,291 1,231,152 (1,156,192) 19,036 0 0 0
Total, included in staff costs Movements in liability recognised in balance sheet:	2,035,541	593,449
At start of year Total staff cost as above (ICTA share of Pension) (Contributions paid by employer) At end of year	2,820,833 2,035,541 (139,200) (2,637,978) 2,079,196	3,898,936 593,449 0 (1,671,552) 2,820,833
Actual return on plan assets: Main actuarial assumptions at end of year: Discount rate	2,110,038	(97,433) 10.50%
Expected rate of return on plan assets Future salary increases Future pension increases	10.50% 7.50% 5.50%	11.00% 7.50% 5.50%

Reconciliation of the present value of defined benefit obligation	18 months ending 31 December 2010 Rs	Year ending 30 June 2009 Rs
Present value of obligation at start of period	19,435,498	11,725,257
Current service cost	2,518,706	1,492,172
Interest cost	3,061,091	1,231,152
(Benefits paid)	(1,429,419)	(706,324)
Liability (gain)/loss	5,245,037	5,693,241
Present value of obligation at end of period	28,830,913	19,435,498
Reconciliation of fair value of plan assets		
Fair value of plan assets at start of period	11,392,377	9,531,863
Expected return on plan assets	2,029,642	1,156,192
Employer contributions	2,637,978	1,671,552
Employee contributions	1,758,652	1,068,010
(Benefits paid + other outgoings)	(1,408,152)	(781,615)
Asset gain/(loss)	80,396	(1,253,625)
Fair value of plan assets at end of period	16,490,893	11,392,377

Distribution of plan assets at end of period Percentage of assets at end of year	2010	2009
Government securities and cash	52.20%	56.35%
Loans	7.80%	8.06%
Local equities	25.20%	20.97%
Overseas bonds and equities	14.00%	13.65%
Property	0.80%	0.97%
Debenture stocks	0.00%	0.00%
Total	100.00%	100.00%

Additional disclosure on assets issued or used by the reporting entity				
2010 (%)	2009 (%)			
0	0			
0	0			
0	0			

History of obligations, assets and experience adjustments		
Year	2010	2009
Currency	Rs	Rs
Fair value of plan assets	16,490,893	11,392,377
(Present value of defined benefit obligation)	(26,759,482)	(19,435,498)
Surplus/(deficit)	(10,268,589)	(8,043,121)
Asset experience gain/(loss) during the period	80,396	(1,253,625)
Liability experience gain/(loss) during the period	(5,245,037)	(5,693,241)
Year	2011	
Expected employer contributions	2,055,121	

15. EMPLOYEE BENEFITS

Employee benefits comprise the total balance of leaves and accumulated passage benefits not yet availed by employees of the Authority as at respective year ends.

	31 December 2010 Rs	30 June 2009 Rs
Balance at start of year	6,904,970	3,391,671
Amount accrued during the year	1,464,292	3,513,299
Balance at end of year	8,369,262	6,904,970
Payable within 1 year	1,797,731	1,161,281
Payable after 1 year	6,571,531	5,743,689
Total	8,369,262	6,904,970

16. SPECIAL DEPOSITS

The Authority issued the Telecommunication Order (11 of 2003), effective from 1st December 2003, which provided for the creation of a Special Account to be credited with contributions received from operators of International Long Distance calls.

	31 December 2010 Rs	30 June 2009 Rs
Balance as at 1 July 2009	22,907,769	21,606,730
Payments Transfer into ICTA Bank A/c	(20,680,000) (2,785,738)	-
Interest Received	557,969	1,301,039
Balance as at 31 December 2010	-	22,907,769

17. CREDITORS AND PAYABLES

	18 months	
	ended 31	Year ended
	December 2010	30 June 2009
	Rs	Rs
Sundry Creditors	4,301,830	6,374,742
Expenses Accrued	41,136,281	41,209,655
TOTAL	45,438,111	47,584,397

18. REVENUE

Income represents licence fees receivable from operators licenced by the Authority. (31 December 2010: Rs 189,013,697; 30 June 2009: Rs 129,126,748)

19. OTHER INCOME

	18 months ended 31 December 2010 Rs	Year ended 30 June 2009 Rs
Bank interest	24,741,026	17,627,519
Interest on Loans	368,701	191,798
Receipt from Fraud Tracking	22,468,466	-
Sundry Income	1,624,000	-
TOTAL	49,202,193	17,819,317

	18 months ended 31 December 2010 Rs	Year ended 30 June 2009 Rs
Staff Costs	54,781,497	30,445,162
Fees to Chairman and Board Members	10,085,300	6,009,000
Rent	9,822,968	5,869,480
Electricity	1,862,249	1,182,050
Telephone	3,116,733	1,499,266
Uniforms	138,960	75,000
Printing, Stationery and Correspondences	925,556	592,268
Incidentals and Office Expenses	1,472,944	752,236
Motor Vehicle Running Expenses	733,132	883,844
Loss on Disposal	12,060	98,428
Loss on exchange	3,787	0
Increase in Provision for Impairment Loss	1,586,156	0
Maintenance of Equipment & Software	291,266	287,916
Technical Library and Publications	691,517	74,153
Press Advertisements	1,227,199	392,130
Insurance	765,860	514,489
Training & Workshops	1,898,041	1,062,757
Professional Fees	5,119,552	2,779,000
Depreciation	7,996,958	3,007,427
	102,531,734	55,524,607

20. ADMINISTRATIVE EXPENSES

21. OTHER EXPENSES

Contribution to International Organizations	3,981,959	3,113,957
Consultancy	2,188,068	3,233,951
Overseas Mission	6,618,712	5,267,033
Donation	5,963,756	842,803
Project Recurrent Costs	61,986,993	4,583,040
Conference	2,398,835	3,828,782
	83,138,323	20,869,566

22. RELATED PARTY TRANSACTIONS

22.1 Remuneration to management

Key management are persons having authority and responsibility for planning, directing and controlling the activities of the Authority, as per IAS 24 - Related Party Disclosures. During the year, the total remuneration of the key management was as follows:

	18 months ended 31 December 2010 Rs	Year ended 30 June 2009 Rs
Allowances paid to Chairman and Board Members Directors	8,708,500 13,592,992	6,009,000 5,841,105
	22,301,492	11,850,105

22.2 Staff Loans

Staff loans include auto cycle and car loans which are refundable in 60 and 84 equal monthly instalments respectively, and bear interest at the rate of 6.5% per annum. The above also include educational loans to staff members refundable in 60 equal monthly instalments with annual interest rate of 5%.

Opening Balance	31 December 2010 Rs	30 June 2009 Rs
Loans: receivable within 1 year	1,017,884	625,396
: receivable after 1 year	3,530,652	1,921,859
Loans granted during the year	2,023,700	3,205,465
Loan Instalments Received	(2,362,010)	(1,204,185)
Closing Balance	4,210,226	4,548,535
Receivable within 1 year	1,112,214	1,017,883
Receivable after 1 year	3,098,012	3,530,652
	4,210,226	4,548,535

23. FINANCIAL SUMMARY

	July 05-June 06 Rs	July 06 - June 07 Rs	July 07- June 08 Rs	July 08 –June 09 Rs	Period July 09 – Dec 10 Rs
Revenue	110,198,046	99,603,405	121,725,690	129,126,748	189,013,697
Surplus	68,651,633	37,950,100	85,023,209	72,230,194	45,331,569
Equity	206,200,740	204,150,840	245,992,524	276,544,416	271,875,985
Transfer to Consolidated Fund	(40,000,000)	(40,000,000)	(40,000,000)	(40,000,000)	(50,000,000)

24. CURRENCY

All figures are shown to the nearest Mauritian Rupee.

FORM A

REPUBLIC OF MAURITIUS Information & Communication Technologies Authority

Indicative Annual Procurement Plan

(October – December 2009)

Last (Last Updated:	To be	To be updated at least every six months	svery six months	
S.No.	S.No. Type/Nature of Procurement	Procurement Details	Cost Estimate (Rs)	Procurement Method to be used	Expected Date of launching of Bid
-	Motor Vehicles	Mobile monitoring unit	6,000,000/-	Procurement of Goods – Restricted Biding	December 2009
2	Computerisation Project	Computerisation of Accounting, Registry, HR and Licensing functions	5,000,000/-	Procurement of Goods – Restricted Biding	October 2009
сл	Office Uplifting	Secure services of interior designer and appointment of subcontractor to perform uplifting work.	5,000,000/-	Procurement of Goods – Restricted Biding	November 2009
4	PC's	Donation of PC's to Government Primary Schools	3,500,000/-	Request for Sealed Quotation	December 2009

REPORT OF THE DIRECTOR OF AUDIT

On the Financial Statements of the Postal Authority for the 18 months ended December 2010

NATIONAL AUDIT OFFICE .

REPORT OF THE DIRECTOR OF AUDIT TO THE BOARD OF THE POSTAL AUTHORITY

Report on the Financial Statements

I have audited the accompanying financial statements of the Postal Authority which comprise the statement of financial position as of 31 December 2010, the statement of financial performance and the statement of cash flows for the 18 month-period then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for any audit opinion.

Opinion

In my opinion, the financial statements give a true and fair view of the financial position of the Postal Authority as of 31 December 2010, and of its financial performance and its cash flows for the 18 month-period then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Total expenditure of the Postal Authority for the period ending 31 December 2010 amounted to Rs 3,722.910 including a sum of Rs 2,305.479 representing allowances paid to more than 30 officers of the Information and Communication Technologies Authority. During the same period, the major transactions of the Postal Authority involved mainly renewal of some 11 registered licencees.

Allowances should only be paid to officers who are involved with the administrative work of the Postal Authority.

My opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements.

Management's Responsibility

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the laws and authorities which govern them.

Auditor's Responsibility

In addition to the responsibility to express an opinion on the financial statements described above, my responsibility includes expressing an opinion on whether the activities, financial transactions and information reflected in the financial statements are, in all material respects, in compliance with the laws and authorities which govern them.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Opinion

Statutory Bodies (Accounts and Audit) Act

In my opinion, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the Statutory Bodies (Accounts and Audit) Act.



(Dr R. JUGURNATH) Direct of Audit National Audit Office Level 14, Air Mauritius Centre Port Louis

13 March 2012

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2010

		31 December 2010	30 June 2009
		Rs	Rs
ASSETS			
Current assets			
Accounts receivable	7	300,000	200,000
Cash and bank balances		20,913,591	17,755,392
TOTAL ASSETS		21,213,591	17,955,392
EQUITY AND LIABILITIES			
Retained Earnings		20,953,999	17,505,392
Current liabilities			
Accounts payable	8	259,592	450,000
TOTAL EQUITY AND LIABILITIES		21,213,591	17,955,392

These Financial Statements were approved by the Board of the Postal Authority on 17 March 2011. Signed on their behalf:

14 Mr Trilock Dwarka

(Chairman)

Mr A. Ramlugan (Board Member)



STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2010

		18 months ended 31	Year ended 30 June
		December 2010	2009
		Rs	Rs
REVENUE 9		5,900,000	4,100,000
OTHER INCOME 10)	1,271,516	952,991
	-		
		7,171,516	5,052,991
ADMINISTRATIVE EXPENSES 11		3,722,909	(1,962,427)
SURPLUS FOR THE PERIOD		3,448,607	3,090,564

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2010

	Retained Earnings	TOTAL
	Rs	Rs
Balance as at 30 June 2008 (Restated)	14,414,828	14,414,828
Surplus for the year 2008-2009	3,090,564	3,090,564
Balance as at 30 June 2009	17,505,392	17,505,392
Surplus for the period 2009-2010	3,448,607	3,448,607
Balance as at 31 December 2010	20,953,999	20,953,999



STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2010

	18 months ended 31 December 2010	Year ended 30 June 2009
	Rs	Rs
CASH FLOW FROM OPERATING ACTIVITIES		
Surplus for the year	3,448,607	3,090,564
Adjustment for:		
Interest income	(1,252,516)	(943,991)
Operating surplus before change in working capital	2,196,091	2,146,573
Change in working capital:		
Increase in accounts receivable	(100,000)	(200,000)
Increase in accounts payable	(190,409)	200,000
Cash generated from operations	1,905,682	2,146,573
Interest income	1,252,516	943,991
INCREASE IN CASH AND BANK BALANCES	3,158,198	3,090,564
CASH AND BANK BALANCES AT 01 JULY 2009	17,755,392	14,664,828
CASH AND BANK BALANCES AT 31 DECEMBER 2010	20,913,590	17,755,392

1. LEGAL FORM AND MAIN ACTIVITY OF THE AUTHORITY

The Postal Authority was established as a regulatory body under the Postal Services Act 2002 for the postal, courier and ancillary services. As per section 4 of the Postal Services Act 2002, the members of the Board of the ICT Authority shall be deemed to be and constitute the members of the Board of the Postal Authority.

2. FIRST TIME ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The accounting policies of the Authority were changed on 1 July 2008 to comply with IFRS. The transition to IFRS is accounted for in accordance with IFRS 1 (First Time Adoption of International Financial Reporting Standards) with 1 July 2007 as the date of transition.

The reconciliation of the effects of the transition to IFRS is presented in the notes to the IFRS Financial Statements.

(a) Note on applicability of IFRS

The officers of the ICT Authority ensure the smooth running and the whole conduct of the operations of the Postal Authority. The Postal Authority does not employ any officer. The Postal Authority does not own any item of non-current assets; it makes use of the non-current assets of the ICT Authority. The only assets of the Postal Authority are the accounts receivable and the cash and bank balances. As such, IFRS relating to Non-current Assets and Employee Benefits do not apply.

Given the present operational structure, as described above, the directors estimate that the adoption of IFRS and Interpretations will have no material impact on the financial statements of the Authority.

(b) Standards and Interpretations in issue but not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations were in issue but not yet effective:

- Amendments to IAS 1: Amendments relating to Disclosure of Puttable Instruments and Obligations arising on Liquidation
- IAS 23: Borrowing Costs Comprehensive Revision to Prohibit Immediate Expensing
- IAS 27: Consolidated and Separate Financial Statements Consequential Amendments Arising from Amendments to IFRS 3
- IAS 28: Investments in Associates Consequential Amendments Arising from Amendments to IFRS 3
- IAS 31: Investments in Joint Ventures Consequential Amendments Arising from Amendments to IFRS 3
- IFRS 2: Share-Based Payments Amendment Relating to Vesting Conditions and Cancellations
- IFRS 3: Business Combinations Comprehensive Revision on Applying the Acquisition Method
- IFRS 8: Operating Segments
- IFRIC 12: Service Concession Agreements
- IFRIC 13: Customer Loyalty Programmes
- IFRIC 14: The Limit on a Defined Asset, Minimum Funding Requirements and Their Interactions
- IFRIC 15: Agreements for the Construction of Real Estate
- IFRIC 16: Hedges of a Net investment in a Foreign Operation

3. ACCOUNTING POLICIES

The principal accounting policies adopted by the Authority are as follows:

(a) Basis of accounting

The Financial Statements have been prepared in accordance with all applicable International Financial Reporting Standards (IFRS), including International Accounting Standards (IAS) issued by the International Accounting Standards Board (IASB).

(b) Revenue Recognition

Revenue, which represents licence fees receivable, has been accounted on an accrual basis, and is recognized upon issue of claims to licensees.

(c) Expenditure

All expenses have been accounted on accrual basis.

(d) Financial instruments

Financial assets and liabilities are recognized on the Statement of Financial Position when the Authority has become party to the contractual provisions of the financial instruments. Financial instruments are initially measured at cost, which includes transaction costs. Subsequent to the initial recognition, these instruments are measured as set out below:

(i) Accounts receivable

Accounts receivable are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

(ii) Cash and bank balances

Cash and bank balances comprise amounts held in a local commercial bank account.

(iii) Accounts Payable

Accounts payable are stated at their nominal value.

(e) Retirement Benefit Obligations

Given that the Authority does not have any employee, the obligation for providing for retirement benefits does not apply.

(f) Provisions

Provisions are recognized when the Authority has a present obligation as a result of past event, which it is probable, will result in an outflow of economic benefits that can reasonably be estimated.

(g) Use of estimates

The preparation of financial statements in accordance with International Financial Reporting Standards and generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from these estimates.

(h) Related Parties

For the purposes of these Financial Statements, parties are considered to be related to the Authority if they have the ability, directly or indirectly, to control the Authority or exercise significant influence over the Authority in making financial and operating decisions, or where the Authority is subject to common control or common significant influence. Related parties may be individuals or other entities.

4. RISK MANAGEMENT POLICIES

(i) Credit Risk

Credit risk relates to the possibility of default by licensees in settling their claims obligations to the Authority.

For all courier service licences, the Act provides for the obligation of the licensee to furnish a Bank Guarantee, which the Authority can enforce to should the claims for licence fees are not honoured. This mitigates the credit risk exposure of the Authority with regard to the recoverability of the licence fees and the possibility of material loss arising.

(ii) Liquidity Risk

This refers to the possibility of default by the Authority to meet its obligations because of unavailability of funds to meet both operational and capital requirements. In order to ensure adequacy of its funding, cash flow forecasts are prepared periodically to identify any shortage of funds. The expenditure of the Authority is also matched against budget estimates to be within targeted limits.

5. SURPLUS FROM OPERATIONS

Surplus for the year is arrived at after charging the following item:

	31 December 2010 Rs	30 June 2009 Rs
Auditor's remuneration	50,000	50,000

6. FINANCIAL INSTRUMENTS

In its ordinary operations, the Authority is exposed to financial risk, more precisely to credit risk.

Fair values

The carrying amounts of the Authority's financial assets and financial liabilities reflect their nominal values.

Credit risk

The Authority's credit risk is attributable to its Accounts Receivable. The amounts stated in the Statement of Financial Position are net of allowances for impairment of debts, estimated on prior experience.

Interest rate risk

The Authority does not have significant concentration of interest risk.

7. ACCOUNTS RECEIVABLE

Accounts Receivable represent licence fees due at year end (31 December 2010: Rs 300,000; 30 June 2009: Rs 200,000).

8. ACCOUNTS PAYABLE

	31 December 2010	30 June 2009
	Rs	Rs
Licence fees received in advance Expense accrued	200,000 59,592	400,000 50,000
TOTAL	259,592	450,000

9. REVENUE

Income represents licence fees receivable from operators licenced by the Authority. (31 December 2010: Rs5,900,000 ; 30 June 2009: Rs 4,100,000)

	31 December 2010 Rs	30 June 2009 Rs
10. OTHER INCOME		
Bank interest Sundry income	1,252,516 19,000	943,991 9,000
TOTAL	1,271,516	952,991

11. ADMINISTRATIVE EXPENSES

	31 December 2010 Rs	30 June 2009 Rs
Allowance to chairman & board members	1,296,000	823,720
Other allowances	2,305,479	834,971
Office expenses & incidentals	1,495	940
Press advertisements	54,585	23,766
Overseas mission	-	167,530
Professional Fees	55,750	111,500
Donation	9,600	-
TOTAL	3,722,909	1,962,427

12. RELATED PARTY TRANSACTIONS

Note on operations

In terms of the Postal Services Act 2002, the members of the Board of the ICT Authority shall be deemed to be and constitute the members of the Board of the Postal Authority. Moreover, the officers of the ICT Authority ensure the smooth running and the whole conduct of the operations of the Postal Authority.

Remuneration to management

Key management are persons having authority and responsibility for planning, directing and controlling the activities of the Authority, as per IAS 24 - Related Party Disclosures. During the year, the total remuneration of the key management was as follows:

	31 Dec 2010 Rs	30 June 2009 Rs
Allowances paid to: Board Members Directors	1,296,000 298,163	823,720 142,000
	1,594,163	965,720

13. CURRENCY

All figures are shown to the nearest Mauritian Rupee.



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