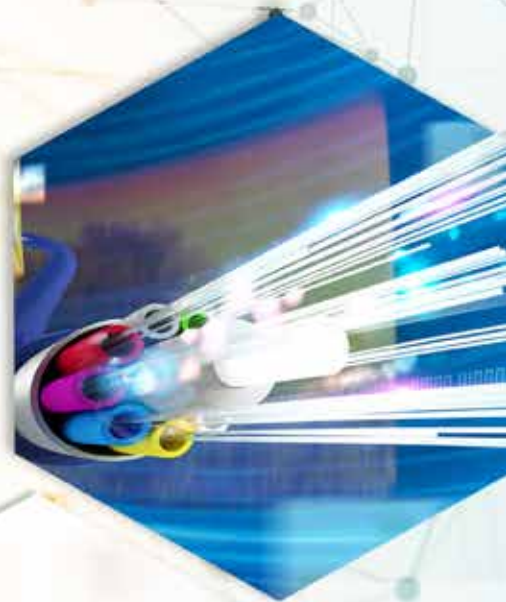




ICTA

INFORMATION & COMMUNICATION
TECHNOLOGIES AUTHORITY



Promoting
innovation
through
**effective
regulation**

ANNUAL
| **REPORT**

Jan 2016 | June 2017

www.icta.mu

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Executive Summary

During the 18-month reporting period, the Authority was engaged in fulfilling its roles across a plethora of its activities to meet the expectations of its diverse set of stakeholders: the policy maker, consumers, licensees and counterpart regulatory organisations.

The Authority continued to witness how the fast-paced changes and advancements in information and communication technologies were generating more dynamism in the ICT services and creating greater stakeholder expectations. Technological convergence raises governance issues to be addressed by all the players who make up the ICT sector. Balancing current demands whilst looking to the future of regulation was an area of focus for the Authority.

A core area of deliverables is underpinned by frequency management, a critical pillar of regulation characterized by competitive demand for a scarce resource. Furthermore, Internet of Things (IoT) continued to transform and add complexity to the way that ICT regulators are required to manage Radio Spectrum.

During this period the Authority paid heed to its mandate by addressing the needs of citizens in Rodrigues under the Universal Service Fund (USF) with the objective of increasing bandwidth satellite capacity from 163 Mbps to 425 Mbps.

A tender exercise financed under the USF was undertaken, universal service being a cornerstone of closing the Digital Divide and addressing any perceived market failures in the mission to democratize access to ICTs.

Across its operations, the Authority made all efforts to meet the demands of its diverse stakeholders. Amidst its core deliverables were authorizations for the importation of radio communication and telecommunication equipment into the Republic of Mauritius, under the Type Approval procedure which enables frequency management and to ensure safety for users, industry and citizen alike based on international standards and best practices.

The Authority was also engaged in the granting of licences to dealers who commercialize ICT equipment and to the commercial operators.

Consumers are the drivers of the ICT sector. The queries and complaints lodged with the Authority also reflect the dynamic and complex nature of the converged ICT landscape. To this end, the ICT regulator has upheld its duties to provide a customer service that empowers the public to make as informed a choice as possible in their respective decision making. The Authority complemented its interaction with customers with the government's public portal of the Citizen Support Unit, the Authority being one of the agents on the portal. Meanwhile a website revamp of the Authority provided a wealth of information to address the needs of stakeholders.

An important highlight of the year were the amendments brought to the ICT Act 2001 (as amended) and also to the IBA Act to enable the live broadcast of the National Assembly sittings.

During the period the Authority also revived its presence amongst its counterpart organisations at regional and international levels, carving out avenues for exchange and capacity building in the evolving global ICT regulatory ecosystem.

As such, the 18-month period served as a mirror to the Authority to revisit its priorities to move into another phase of ICT regulation for the common good.

ABRIDGED FINANCIAL STATEMENTS

ICTA

STATEMENT OF FINANCIAL POSITION

	30-juin-17	31-déc-15
	Rs	Rs
Non-current assets	12 052 141	14 534 098
Current assets	1 115 445 263	1 094 529 483
Total assets	1 127 497 404	1 109 063 581
Equity	1 082 562 162	1 031 446 668
Non-current liabilities	14 284 797	16 110 406
Current liabilities	30 650 445	61 506 507
Total Equity and Liabilities	1 127 497 404	1 109 063 581

STATEMENT OF FINANCIAL PERFORMANCE

	18 months ended 30-juin-17	12 months ended 31-déc-15
	Rs	Rs
Revenue - General Fund (Licence Fees)	313 017 378	204 695 892
Revenue - Universal Service Fund	149 958 417	136 092 510
	462 975 795	340 788 402
Other Income	3 767 720	4 552 053
	466 743 515	345 340 455
Administrative expenses	-151 802 285	-103 975 291
Other expenses	-126 167 439	-88 255 345
Surplus before transfer to Consolidated Fund	188 773 791	153 109 819
Transfer to Consolidated Fund	-150 000 000	-40 000 000
Surplus	38 773 791	113 109 819
Surplus/(deficit) attributable to:	-	-
General Fund	-73 116 851	21 329 546
Universal Service Fund	111 890 642	91 780 273



Chairman's Message

The period 2016/2017 saw a significant change at the level of the ICT Authority's leadership. My coming into office in March 2017 coincided with the setting up of a new Board, the composition of which was revamped under the ICT Act 2001, with a view to strengthening the Authority's position as a key stakeholder in the ICT sector landscape, capable of effectively handling the recurrent challenges in this segment of activity.

'Promoting innovation through effective regulation', as stated on the Authority's new website indicates the direction in which the ICT regulator is heading. It is against this backdrop that the ICTA/IBA merger exercise has been envisioned. The merger exercise is a response to the changing nature of the communications environment whereby new digital technologies are allowing previously distinct sectors to compete across increasingly convergent markets using a range of different delivery platforms. This merger exercise seeks to ensure that the converged ICT regulatory framework continues to be responsive to a rapidly evolving sector. The establishment of a merged entity will enable a coordinated regulatory response to converging technologies and services where the final aim is to deliver the best outcomes for Mauritian citizens and consumers through effective competition amongst operators as a prime tool, with regulatory intervention as and when it becomes necessary.

At a more granular level, good value and high quality communications services for end users are also a central objective for the ICT Authority. In that respect, in December 2016, a tender exercise was launched for the acquisition of satellite bandwidth capacity for improving Internet services in Rodrigues where the total bandwidth capacity will be increased from 163 Mbps to 425 Mbps. This project is financed under the Universal Service Fund managed by the Authority.

Under my chairmanship, the Authority was also encouraged to strengthen and nurture the relationships with its peers not just in the region but also via the international platform offered by the International Telecommunication Organisation. Other important organisations with which ties were renewed were the Communications Regulators' Association of Southern Africa, CRASA and the Commonwealth Telecommunications Organisation (CTO). Such organisations provide opportunities for valuable exchanges on the latest developments and trends taking place in the ICT arena.



Strengthening position as key stakeholder

Looking ahead, I feel confident that the Authority will be able to fulfil its duties in a timely and effective manner and at the same time remain a versatile organisation fully capable of handling future challenges in the fulfilment of its mandate.

Mahmad A Bocus

Acting Executive Director 's Message

Promoting Innovation through effective Regulation

I am pleased to present the results and achievements of the ICT Authority for this annual report. The reporting year covers 18 months, 1st January 2016 to end of June 2017.

Change is a constant and indeed the period that this report covers is one that is characterized by change i.e. change in the constitution of the ICT Authority Board, change in the Members of the Board, change in Management, besides the amendments brought to the ICT Act 2001, (as amended) in 2016. These amendments covered a number of sections of the ICT Act and to the Independent Broadcasting Act to enable the live broadcast of National Assembly sittings.

The most pertinent change agent is the visionary decision of the current Government as part of the budget announcement regarding the merger of the ICT Authority and the Independent Broadcasting Authority, well recognising the convergence of technologies, equipment, service platform and network infrastructure; and thoughtfully considering the needs for the evolved eco-system in the techno-legal framework. As such, in line with the budget speech of the Government, work has begun to bring about a merged regulator of ICT and broadcasting. Amidst change, the Authority continued to endeavour to meet the expectations of its stakeholder sets across a diverse landscape.

ICTs will continue to be an enabler
of the economic players



Cont'd

Acting Executive Director 's Message

Demand for the services of the Authority in terms of licensing applications including spectrum allocation and applications for type approval of radiocommunication and telecommunication equipment can safely be said to reflect the macroeconomics of the ICT sector with increasing market demand for products and services. This soaring demand for services including e-commerce, e-governance, e-licensing, e-payment, e-services and the equipment required to deliver these services also mirrors the fact that ICTs will continue to be an enabler of the economic players, which depends on ICT infrastructure investment and service providers to run businesses and deliver services. This of course includes ICT businesses as economic players in their own right.

The advent of new business paradigms created by the Internet of Things including smart cities, smart computing, smart working and the challenges all this poses to the regulator in terms of frequency management must be considered. The technological trend towards convergence in terms of the capacity of infrastructure and applications to offer innovative services, triple-play in particular, demands an appropriate regulatory framework such as a unified licensing regime and dynamic spectrum allocation.

In the midst of change, the constant part of the landscape for the regulator has been the demand from consumers of ICT services marketed by the licensees of the Authority. This is something that can be expected to continue with consumers resorting to the regulator to intervene especially with regards to complaints that they have difficulty in resolving. The ICT regulator who vows to democratize access to affordable services in an optimally regulated market where competition and choice thrives must pay heed to the voice of consumers. The Authority offers first hand guidance in terms of resolving complaints it receives from members of the public. Alongside its own mechanism, the Authority has also been serving citizens through the mechanism put in place by Government via the Citizen Support Portal which provides a transparent and coherent

approach to serving the public good. As one of the public institutions listed on the portal, the Authority has been able to contribute to the interactions between citizens and e-government through the innovation that the portal offers in interaction.

The regulator has to be ever watchful of opportunities and threats especially cyber-threats in order to fulfil its mandate and not just on the economic front. Cybersecurity continued to preoccupy the agenda across the world with the increasing cyber-attacks including malware, spyware, viruses, Trojans and so on. Further issues relating to address spoofing or identity theft are major concerns in terms of reaching to the miscreants. Thus, ICT Authority as regulator will endeavour to ensure that the ICT infrastructure put in place by operators are robust, rugged and resilient.

ICT Authority as regulator
will endeavour to ensure that
the ICT infrastructure put in
place by operators are robust,
rugged and resilient

I take this opportunity to extend my gratitude to the Board members, Chairman in particular and the honourable Minister of Technology, Communication and Innovation for their guidance, support, trust and the confidence showered upon me.

I also extend my thanks to the staff of the Authority for their commitment to ensure that the Authority delivers on its mandate in the current regulatory framework and together I look forward to meeting the challenges that innovation in technology, market evolution and public expectations place on the team of the Authority.

Radhacharan Shakya

Corporate Governance

Integrity



Vision

To play a leading role in the future of ICT in Mauritius contributing to an efficient, competitive and optimally regulated ICT sector.

Mission

To promote affordable and adequate access to quality ICT services through functional market-driven competition and regulatory principles in a trouble-free Networked Information and Knowledge Society.

Parliament passed the Information and Communication Technologies Authority Act in late 2001, effectively creating the ICT Authority which has the status of a body corporate.

Operators who want to start or conduct telecom operations must apply to the ICT Authority for a licence. The ICT Authority is also in charge of the Mauritian numbering plan and allocates number resources to telecom operators.

With the radio frequency being a limited natural resource, frequencies must be allocated fairly among those who apply. The authority is also empowered to investigate cases of radio interference.

The ICT Authority has, among other functions, to act as the Controller of Certification Authorities (CCA). The Controller of Certification Authorities as the "Root" Authority certifies the technologies, infrastructure and practices of all the Certification Authorities licensed to issue Digital Signature Certificates.

It is also responsible for protecting consumers of telecommunication services.

VALUES

Professionalism: to demonstrate high-level professionalism in our day-to-day initiatives in relation to the business of the authority and achieve continuous self-improvement.

Responsibility: to speak up and report concerns about the ICT regulatory frameworks and laws, and seek clarification and guidance where there is doubt.

Commitment: to develop the right attitude towards the job we undertake, encourage individual initiative and express our dedication in achieving our objects and function.

Honesty: to be truthful in all our endeavours, to be honest and straightforward with one another and with our policy makers, communities, licensees, operators and service providers.

Integrity: to express what we mean, to deliver what we promise and to stand for what is lawful.

Respect: to treat one another with dignity and fairness, appreciating the diversity of our workforce and the uniqueness of each employee.

Trust: to build confidence through framework and open and frank communication

ICT BOARD

The ICT Board is at the pinnacle of the Authority operating under the Information and Communication Technologies Authority Act 2001. It is the ultimate governing body responsible for the administration and management of the ICT Authority. It fully adheres to the sound principles of good governance and assures that high standards of business ethics, honesty, integrity and professionalism are maintained at all levels of the entity. The role and functions of the ICT Board include: -

To lay down necessary policies for regulating the various activities of the Authority.

Provide strategic direction and leadership.

To ensure that objects, powers and functions of the Authority are carried out in the most effective, efficient and objective manner.

It ensures greater levels of transparency, fairness, integrity and accountability in its deliberations and actions.

It ensures compliance to relevant laws, regulations and best practices and standards.

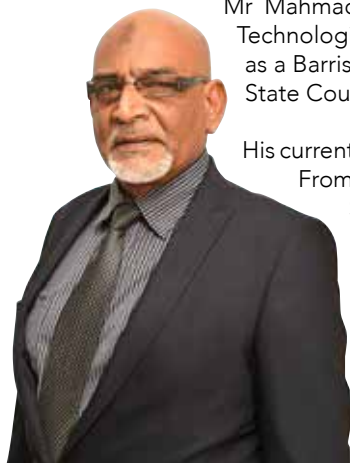
It ensures the integrity of the Authority's accounting and financial reporting systems including the independence of audit and internal control for monitoring and financial control in compliance to accounting rules and standards.

Monitors and reviews management performance on a regular basis.

The Board discharges its responsibilities either directly or through sub-committees duly appointed by the Board.

Profile of Board Members

MAHMAD ALEEM BOCUS, CHAIRPERSON



Mr Mahmad Aleem Bocus was appointed Chairperson of the Information and Communication Technologies Authority (ICT Authority) in March 2017. He has had a long and multifarious career as a Barrister both in private practice and in the public service where he has worked as Temporary State Counsel and subsequently as District Magistrate and Senior District Magistrate.

His current appointment as Chairman of the ICT Authority is his second tenure with the ICT regulator. From August 2002 to January 2006, Mr Bocus had served as Director of Legal Affairs/Board Secretary of the ICT Authority and the Postal Authority. It was a time when many of the cornerstones of the liberalization of the ICT sector were being laid down.

Mr Bocus was closely involved in the implementation of the measures for the liberalization of the Telecommunications sector in Mauritius. He participated in the drafting of the National Telecommunications Policy Paper (2004), the preparation of the National Numbering Plan and the National Frequency Allocation Plan.

Mr Bocus holds a Master's Degree in Regulation and Policy (Telecommunications) from the University of the West Indies; a Bachelor of Laws (LLB Hons) from the University of Mauritius; the Barrister's Certificate from the Council of Legal Education, Mauritius; an IGCBP (Internet Governance) Certificate, Diplo Foundation, Malta; a certificate in 'Advanced Internet Governance Capacity Building Programme (e-Voting and e-Participation)', Diplo Foundation, Malta. He began his career teaching in state secondary schools and also holds a Teacher's Diploma (English and French) from the Mauritius Institute of Education.

MR OM KUMAR DABIDIN

Mr Om Kumar Dabidin is Permanent Secretary at the Prime Minister's Office (Home Affairs Division). He was appointed as a Member of the Board of the ICT Authority in March 2017. Mr Dabidin is presently the Chairperson at the Gambling Regulatory Board (GRA), also member of the Boards of the following statutory bodies: the Mauritius Ports Authority; the Cargo Handling Corporation Ltd; Rose Belle Sugar Estate Board and the Mauritius Oceanography Institute.

He has a Master of Arts in Social Work from University of Delhi; he also holds a Bachelor of Arts from the University of Jiwaji, India and a Master in Business Administration as well as a Diploma in Personnel Management from the University of Mauritius.

Mr Dabidin began his career in the civil service as Administrative Officer at the Prime Minister's Office. He is a seasoned public officer having held a number of senior positions over the last two decades across a wide range of ministries: Finance; Youth and Sports; Agriculture, Food Technology and Natural Resources and Civil Service and Administrative Reforms. He was also Deputy Permanent Secretary at the Ministry of Environment and Acting Permanent Secretary at the Ministry of Health and Quality of Life. Mr Dabidin spearheaded a number of projects in a number of ministries and contributed to public sector reforms designed at bringing about more effectiveness and efficiency in public sector service delivery and improving the quality of service to citizens. Mr Dabidin was also Secretary, P.S.C and D.F.S.C at the Public Service Commission.

During his time as Acting Principal Assistant Secretary at the Ministry of Arts and Culture, Mr Dabidin was instrumental in bringing about the restructuring of the said ministry with the advent of new legislation which paved the way for the creation of entities such as the National Library, the Heritage Fund and the Museum Council.

Mr Dabidin, whose career began in education has also pursued his interests in teaching and been involved with a number of training organisations as lecturer and trainer. He was one of the trainers for the Training Unit at the Ministry of Civil Service and Administrative Reforms (MCSA). Mr Dabidin has also undertaken training programmes in Rodrigues; for the Mauritius Institute of Public Administration and Management (MIPAM); the University of Technology; the University of Mauritius and the Mauritius Employers' Federation amongst others. Mr Dabidin acted as consultant for the IVTB and was author of the Human Resource Policy Manual.



DR (MRS) ROOBA YANEMBAL MOORGHEN

Dr (Mrs) Rooba Yanembal Moorghen is the Permanent Secretary of the Ministry of Technology, Communication and Innovation in Mauritius. She is a career Public Officer with more than forty years' experience in the Civil Service of Mauritius. Mrs Moorghen has progressively acquired wide-ranging managerial and technical expertise over the years in sectors relating to public policy, information technology, computerization of government services; health administration, finance; civil service reforms; capacity building and gender and children.

She holds a PhD from the University of Birmingham (UK); a Master's degree in Public Sector Management (Commonwealth Scholarship) University of West Indies, (Jamaica); a Master's degree in Business Administration, University of Warwick (UK); a Bachelor of Arts in English and French, University of London (UK). Mrs Moorghen is also a Hubert Humphrey Fellow from the United States and has studied at the Evans School of Public Policy in Washington, USA.



MR LUCHMYPARSAD AUJAYEB

Mr Luchmyparsad Aujayeb holds the post of Assistant Solicitor General at the Attorney General's Office. He was called to the Mauritian Bar in December 1995.

Mr Aujayeb is a former Senior District Magistrate and has previously worked in the Financial Services sector as Legal Officer at the former MCCB Ltd, Legal Manager at KPMG as well as for an international law firm in Singapore.

He holds a Bachelor of Laws (LLB Hons) and is a past Chevening Scholar with an LLM (Master of Laws) in International Business Law from Kings College, London and is a member of the Chartered Institute of Arbitrators, London.

Mr Aujayeb also served as Director of the Independent Commission Against Corruption (ICAC) from December 2014 to December 2015.

Mr Aujayeb was appointed as a member of the ICT Board on 9 March 2017, as Representative of the Attorney General's Office, pursuant to Section 5(3)(e) of the Information and Communication Technologies Act."



MR OOMADUTH JADOO

Mr Oomaduth Jadoo is currently Permanent Secretary at the Prime Minister's Office (National Development Unit). Mr Jadoo had previously served as Permanent Secretary at the Ministry of Environment, Sustainable Development and Disaster and Beach Management and at the Ministry of Health and Quality of Life.

Mr Jadoo holds a BSc Honours in Chemistry, First Division, University of Delhi, India; a Diploma in Public Administration and Management, University of Mauritius and an MSc in Public Sector Management, University of Technology, Mauritius (2006).

Mr Jadoo began his long career in the public sector as an Education Officer before occupying several positions. Mr Jadoo was also: Labour Inspector at the Ministry of Labour and Industrial Relations; Administrative Officer at the Ministry of Social Security; Administrative Officer Ministry of Health and Quality of Life; Administrative Officer at the Ministry of Education and Human Resource Development; Acting Principal Assistant Secretary and Principal Assistant Secretary at the Ministry of Environment and Acting Permanent Secretary at the Ministry of Health and Quality of Life.



Profile of Board Members

MR TUSHYADEV JADUNUNDUN

Mr Tushyadev Jadunundun holds a BA Honours in Sociology and Public Administration from Panjab University, Chandigarh, India.

Mr Jadunundun has a Certificate in Managing front office operations from the American Hotel and Lodging Association's Educational Institute. He also holds an Associated Degree (Partial) in Dean's & Honor's List in Hotel and Restaurant Management from Katherine Gibbs School, New York, U.S.

Mr Jadunundun has attended high level international events including the Commonwealth Telecommunications Organisation's workshop on Regulating ICTs.

Mr Jadunundun is an advocate of social media, in particular, the way user generated content can be used to bring about social transformation and innovation. In the late 1990s, Mr Jadunundun was one of the grassroots members of the Organizing for America Obama Campaign Fellowship Program.

He also held a number of management positions in the hospitality sector both in Mauritius and the US.



MR SANMOOGUM RAMEN

Mr Sanmoogum Ramen holds a Bachelor's Degree in Information Systems from the University of Cape Town and holds various Microsoft and Cisco Certifications.

Mr Ramen was appointed as a member of the ICT Authority Board in March 2017.

Mr Ramen has wide ranging experience with a proven track record spanning over thirteen years in his capacity as a technical expert and in management in the arenas of Information Technology, networking and the telecommunications sector.

Mr Ramen is an active Cisco Certified Systems Instructor and is engaged and involved in technical training.

He is currently the Head of IT and Telephony in one of the largest BPO companies in Mauritius.



MR MAHENDRANATH SUMPUTH

Mr. Mahendranath Sumputh is currently the Director of SOLATHERM CO LTD, a post he has held since 1998. Mr Sumputh is also the Chairperson of SOLAFLAG Company Ltd. Mr Sumputh was appointed a member of the Board of the ICT Authority in August 2017.

Mr Sumputh is a member of the Board of Directors of CPIL/IPL/BFSL, (subsidiaries of Landscape). He has also been a member of the Board of Business Parks of Mauritius Limited (BPML Ltd) and the National Transport Corporation.

Mr Sumputh was an Educator for the Ministry of Education and Scientific Research and Adviser in the IMU section of the Ministry of Education and Scientific Research.

Mr Sumputh has been an award winning young entrepreneur many times over. In 2000, he was the winner of the Oscar De La Jeunesse in the field of Youth Entrepreneurship and Winner of the First Edition Of SHELL LIVEWIRE MAURITIUS. In 1999, Mr Sumputh received the Young Entrepreneurs Award (Confejes and Ministry of Youth) and in 1998 was one of the nominees for the OSCAR DE LA JEUNESSE. Mr Sumputh has been an ardent advocate of citizen-centred innovative projects with active participation in Mauritius and overseas.



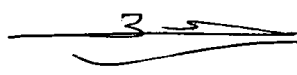
Corporate Governance Report

STATEMENT OF BOARD MEMBERS' RESPONSIBILITIES

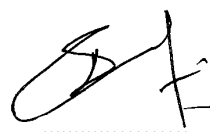
The responsibilities of the ICT Board Members are spelt out in the ICT Act 2001 (as amended) and include mainly implementing the policies regulating the various activities of the Authority. They ensure that the objects, powers and functions of the Authority are carried out in an effective, efficient and objective manner. The Board discharges its responsibilities either directly or through sub-committees duly appointed by the Board. The Board promotes openness, integrity, accountability to improve corporate behaviour, strengthen control systems over business processes and review management's performance on a regular basis. To fulfill their responsibilities, Board Members have access to accurate, relevant and timely information.

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 and fair financial position of the Authority in accordance with the International Public Sector Accounting Standards (IPSAS) and current regulations. 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.

The Board Members confirm that they have complied with the above requirements in preparing the financial statements for the period ended 30th June 2017.



.....
Mr M. A Bocus
Chairman



.....
Mr L. Aujayeb
Board Member

STATEMENT ON RISK MANAGEMENT PROCESSES

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 set up adequate measures to shield against such risks; the terms and conditions set out in its major licences under the ICT Act 2001 (as amended) provides for licensees to furnish bank guarantees in favour of the Authority.


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

Liquidity Risk

This risk refers to the possibility of default by the Authority in meeting its obligations in the eventuality of the 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 likely shortage of funds.

COMPOSITION OF THE BOARD

The ICT Authority is administered and managed by the ICT Board in accordance with the provisions of Section 5 of the ICT Act 2001. As per amendments to the Act in 2016, the ICT Board henceforth, consists of the Chairperson, the representative of the Prime Minister's Office, representative of the Ministry of Finance and Economic Development, representative of the Ministry of Technology, Communication and Innovation, representative of the Attorney General's Office and four other members appointed by the Minister



PERIOD		CHAIRPERSON	MEMBERS
FROM	TO		
10 March 2017	To Date	MAHMAD A. BOCUS	
30 April 2015	19 January 2017	BHANOODUTT BEEHAREE	
March 2017	To Date		Luchmyparsad AUJAYEB
March 2017	To Date		Om Kumar DABIDIN
April 2015	To Date		Tushyadev JADUNUNDUN
March 2017	To Date		Rooba MOORGHEN
March 2017	To Date		Sanmoogum RAMEN
January 2017	August 2017		Prakash MAUNTHROOA
January 2017	March 2017		Subashini RAMA
March 2017	September 2017		Keerunduth SAMLALL
January 2017	March 2017		Geereesha TOPSY
April 2016	October 2016		Nayen Kumar BALLAH
May 2016	March 2017		Dharamraj DEENOO
November 2016	January 2017		Premhans JHUGROO
April 2015	December 2016		Pierre Gerard CATHAN
April 2015	January 2017		Jaysharma JHURRY
April 2015	April 2016		Sarwansingh PURMESSUR
April 2015	March 2016		Anandi SEEWOORUTHUN
April 2015	May 2016		Gayle YERRIAH

1. CORPORATE GOVERNANCE COMMITTEE

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:

SUB-COMMITTEE	PERIOD	CHAIRPERSON	MEMBERS
CORPORATE GOVERNANCE COMMITTEE	June 2017 - Up to Now	Mahmad A BOCUS	
	June 2016 - January 2017	Tushyadev JADUNUNDUN	
	July 2015 - April 2016	Sarwansingh PURMESSUR	
	June 2017 - Up to Now		Luchmyparsad AUJAYEB
	June 2017 - Up to Now		Tushyadev JADUNUNDUN
	June 2017 - August 2017		Prakash MAUNTHROOA
	June 2016 - January 2017		Jaysharma JHURRY
	June 2016 - January 2017		Dharamraj DEENOO
	July 2015 - Mar 2016		Anandi SEEWOORUTHUN
	July 2015 - May 2016		Gayle YERRIAH

2. AUDIT COMMITTEE

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 controls;
- Identify and assess, through the Internal Controller, important risk areas and ensure that the critical risk areas are being effectively addressed by Management;
- Review internal audit plan to determine that internal audit objectives and goals provide for adequate safeguards and Support the Audit Committee's objectives and goals;
- Meet with the internal and external auditors to review audit assignments carried out by them.

SUB-COMMITTEE	PERIOD	CHAIRPERSON	MEMBERS
AUDIT COMMITTEE	June 2016 - December 2016	Pierre Gerard CATHAN	
	July 2015 - June 2016	Jaysharma JHURRY	
	June 2017 - Up to Now		Om Kumar DABIDIN
	June 2017 - Up to Now		Luchmyparsad AUJAYEB
	June 2017 - September 2017		Keerunduth SAMLALL
	June 2016 - October 2016		Nayen Kumar BALLAH
	July 2015 - June 2016		Pierre Gerard CATHAN
	July 2015 - December 2016		Tushyadev JADUNUNDUN

3. UNIVERSAL SERVICE FUND (USF) COMMITTEE

The USF Management Committee is responsible for the following:

- Advising on the management of the Universal Service Fund (USF) at the level of the Authority;
- Recommending to the ICT Board any amendments to be made to the structure and management of the USF, both at the level of the Authority and at national level;
- Dealing with regulations made by the Minister pertaining to the USF;
- Preparation of annual budgets and project plans for the USF as well as financial reporting for submission to the ICT Board.

SUB-COMMITTEE	PERIOD	CHAIRPERSON	MEMBERS
USF MANAGEMENT COMMITTEE	June 2017 - Up to Now	Mahmad A BOCUS	
	June - December 2016	Dharamraj DEENOO	
	July 2015 - June 16	Pierre Gerard CATHAN	
	June 2017 - Up to Now		Rooba MOORGHEN
	June 2017 - Up to Now		Sanmoogum RAMEN
	June 2017 - September 2017		Keerunduth SAMLALL
	June 2016 - October 2016		Nayen Kumar BALLAH
	June 2016 - December 2016		Pierre Gerard CATHAN
	July 2015 - June 2016		Tushyadev JADUNUNDUN
	July 2015 - June 2016		Jaysharma JHURRY

4. STAFF AND REMUNERATION COMMITTEE

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

SUB-COMMITTEE	PERIOD	CHAIRPERSON	MEMBERS
STAFF AND REMUNERATION COMMITTEE	June 2017 - Up to Now	Rooba MOORGHEN	
	June 2016 - January 2017	Bhanoodutt BEEHAREE	
	July 2015 - March 2016	Anandi SEEWOORUTHUN	
	June 2017 - Up to Now		Rooba MOORGHEN
	June 2017 - Up to Now		Luchmyparsad AUJAYEB
	June 2017 - Up to Now		Tushyadev JADUNUNDUN
	June 2016 - January 2017		Dharamraj DEENOO
	July 2015 - June 2016		Tushyadev JADUNUNDUN
	July 2015 - May 2016		Gayle YERRIAH

5. RADIO FREQUENCY MONITORING UNIT COMMITTEE

SUB-COMMITTEE	PERIOD	CHAIRPERSON	MEMBERS
RFMU COMMITTEE	March 2017 - Up to Now	Mahmad A BOCUS	
	April 2015 - January 2017	Bhanoodutt BEEHAREE	
	June 2017 - Up to Now		Sanmoogum RAMEN

6. FINANCE AND TENDER COMMITTEE

SUB-COMMITTEE	PERIOD	CHAIRPERSON	MEMBERS
FINANCE AND TENDER COMMITTEE	June 2017 - Up to Now	Om Kumar DABIDIN	
	June 2017 - Up to Now		Tushyadev JADUNUNDUN
	June 2017 - September 2017		Keerunduth SAMLALL
	June 2017 - Up to Now		Rooba MOORGHEN

7. 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.

SUB-COMMITTEE	PERIOD	CHAIRPERSON	MEMBERS
FAST TRACK COMMITTEE	June 2017 - Up to Now	Mahmad A BOCUS	
	June 2017 - Up to Now		Rooba MOORGHEN
	June 2017 - Up to Now		Luchmyparsad AUJAYEB

ICT BOARD Major Decisions

Some of the major decisions taken by the ICT Board during the period under review were as follows:-

IBA/ICTA Merger

In order to meet the challenges of a more converged digital environment, a merger exercise between IBA and ICTA was launched. This merger aims at ensuring that the converged ICT regulatory framework continues to be responsive to a rapidly evolving sector.

Satellite bandwidth for Rodrigues

In view of improving internet services in Rodrigues, a tender exercise was launched in December 2016 for the acquisition of satellite bandwidth capacity where the total bandwidth capacity will be increased from 183 Mbps to 425 Mbps. This project is financed under the USF managed by the Authority.

Refarming of the 900 MHz Band Plan

After a consultation exercise with operators, the Authority decided to release the 900 MHz Band for implementation of Terrestrial Component of International Mobile Telecommunications (IMT). This Decision allows operators to use IMT technologies in the 900 MHz frequency band to provide mobile services throughout the Republic of Mauritius.

Renewed external engagement

The engagement between the Authority and the ITU as well as with other peers' organisations was encouraged and strengthened. In that move, the engagement with CRASA and CTO was renewed for better exchanges of latest development and trends taking place in the ICT arena.

Unified Licensing and dynamic Spectrum Allocation

The advent of new business paradigms created by Internet of Thing (IOT) including smart cities, smart computing, smart working and the challenges of convergence have made the Authority to adopt innovative approaches in its regulatory framework such as unified licensing and dynamic spectrum allocation. The Board facilitated and encouraged the Authority towards this innovation.

BOARD REMUNERATION

During the period under review, the allowances paid to the Board Members amounted to Rs 3,730,116 (excluding Chairperson). The Chairperson was paid a monthly allowance of Rs 45,000. A total amount of Rs 1,254,984 was paid to chairpersons during the period.

In regard to the sub-committees, the monthly fee payable to a member was Rs 10,000. The Chairperson of a particular Sub-Committee was paid an additional of Rs 2,000 per month. The total amount payable to the Sub-Committees during the period were as follows: -

No	SUB-COMMITTEES	RS
1	Radio Frequency Management Unit	209,355
2	Corporate Governance Committee	388,258
3	Audit Committee	406,000
4	Finance and Tender Committee	42,000
5	Staff and Remuneration Committee	330,129
6	USF Management Committee	406,000
7	Fast Track Committee	32,000
		1,813,742

BOARD MEETINGS - 01 MARCH TO 30 JUNE 2017

A new Board was constituted as from March 2017. The newly constituted ICT Board met 7 times and the attendance at the Board Meetings for this period was as follows:

NAME	NUMBER OF MEETING	ATTENDED
1	Mahmad Aleem Bocus	7 OF 7
2	Om Kumar Dabidin	7 OF 7
3	Keerunduth Samlall	7 OF 7
4	Rooba Moorghen	6 OF 7
5	Luchmyparsad Aujaheb	6 OF 7
6	Prakash Maunthrooa	5 OF 7
7	Tushyadev Jadunundun	7 OF 7
8	Sanmoogum Ramen	7 OF 7

CONFLICT 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, is required by law to forthwith disclose the nature of his interest to the Board and to abstain from being present during any deliberation and decision process of the Board in respect of that matter.

INTERNAL CONTROL

The ICT Board's responsibilities include designing, implementing and maintaining an appropriate internal control mechanism for the preparation and presentation of financial statements which reflect the true and fair financial position 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.

The background of the image is a blurred photograph of a hand holding a white smartphone. Overlaid on this is a complex network of thin white lines connecting various circular icons. These icons represent different technical and regulatory concepts, such as a padlock (security), a cloud with arrows (cloud computing), a lightbulb (innovation), a bar chart (analytics), a person (user), a signal tower (communication), and a document (regulation). The overall color palette is dominated by light blues, whites, and a soft pinkish-red hue that frames the bottom right.

Technical Regulation

Standardization

Engineering

Standardization Framework Type Approval Procedures and Engineering Licences

Soaring Demand for Type Approval Authorizations

With each passing year, technological evolution and industry and consumer demand is reflected in the volume of the regulatory services that the Authority delivers to its stakeholders. The Department of Engineering, in addition to licensing processes, provides the technical expertise required for a number of these services in particular issuing the Type Approval authorizations for the importation and use of radiocommunication and telecommunication equipment.

Type approval of equipment is a procedure whereby the ICT Authority determines, in accordance with its mandate under Section 18 (1) (n) of the ICT Act 2001 (as amended), whether any radiocommunication/telecommunication equipment is technically fit to operate within the territory of Mauritius. Type approval ensures that all radiocommunication/telecommunication equipment complies with international standards, and at the same time, is safe for the users and does not create any disturbance in terms of harmful interference to other users of telecommunication devices and services.

In addition to processing the applications for Type Approval certificates, the Department of Engineering processes demands for a range of engineering licences as set out in the table 2.2.

Table 1
Authorizations issued and Investigations Conducted

	Jan. 2016 - Jun. 2017
• Ship station Inspections, PMR survey, Interference investigations	212
• Type Approval Certificates (excluding request for clearance)	1629
• Base Station Evaluation for EMF safety	392

Technical Regulation

Optimising the Spectrum to Enable Industry Innovation

Refarming of the 900 MHz Band Plan

Following representations from all three mobile operators regarding the possibilities of operating the UMTS (3G) technology in the 900 MHz band, a consultation document /exercise was launched on 3rd April 2017 to seek the views of mobile operators with respect to the refarming of the 900 MHz band. The 900 MHz frequency band is currently used in Mauritius to provide mobile services using GSM technology. New technologies such as UMTS and LTE are now providing significant benefits to operators, who are looking into the possibility of exploiting same within the 900 MHz band. The benefits to be reaped are:

1. Better indoor penetration/coverage for a population which is increasingly turning to wireless connectivity
2. Higher data rates and improved Quality of Service (QoS) for mobile services
3. A broader range of offers for innovative services to meet the evolving user needs
4. Possibility of site and equipment re-use

After considering the views of the operators following the consultation exercise, a decision on Refarming of the 900 MHz Band for implementation of Terrestrial Component of International Mobile Telecommunications (IMT) was released by the Authority on 23rd June 2017. The Decision made it possible for the operators to use IMT technologies in the 900 MHz frequency band to provide mobile services throughout the Republic of Mauritius.



Table 2
LICENCES ISSUED

Type	Description	Jan 2016 - Jun 2017
RA02	Aeronautical Base Station (erp equal to or more than 5 W but less than 100 W)	2
RA04	Aircraft Station (maximum aircraft take off weight equal to or more than 14,000 kg)	18
RA05	Aircraft Station (maximum aircraft take off weight more than 3,200 but less than 14,000 kg)	1
RA06	Aircraft Station (maximum aircraft take off weight up to 3,200 kg)	20
RA07	Coast Station	1
RA10	Ship Station	230
RA11	Ship Station (VHF only)	10
RA12	Private Mobile Radio Base Station	26
RA13	Private Mobile Radio (Repeater Station) Licence (where the licensee has been assigned the shared use of frequencies in a private mobile radio network or in a Private Access Mobile Radio Network)	12
RA16	Earth Station (in a fixed satellite service)	7
RA16A	Portable Satellite communication terminal	4
RA17	Telemetry, Command and Ranging (TCR) Satellite Earth Station	2
RA19	Extended Radio-based Private Network device (ELAN/WLAN beyond 1 Km range and/or EIRP > 20 dBm)	163
RA23	Radio Amateur Licence (class A)	3
RA24	Radio Amateur Licence (class B)	2
RA25	Radio Amateur Visitor's Licence	12
RA26	Radio Telemetry System	18
RA27	Low Power Radio Devices	9
RA43	Private Mobile Radio Apparatus (Mobile/Portable Station)	1221
RA44	VSAT/USAT (C, Ku, Ka band operation)	3
RA45	Temporary test licence for frequency usage	4
SPL.1	Network Spectrum Licence (operating in the frequency band below 1 GHz)	1
SPL.2	Network Spectrum Licence (operating in the frequency band equal to or more than 1 GHz but less than 3 GHz)	5
SPL.3	Network Spectrum Licence (operating in the frequency band equal to or more than 3GHz but less than 10 GHz)	1
SPL.4	Network Spectrum Licence (operating in the frequency band equal to or more than 10 GHz)	1
SPL.29	Radio-Relay Link Licence (operating in the frequency band equal to or more than 5 GHz but less than 8 GHz with bandwidth equal to or more than 28 MHz)	1
SPL.32	Radio-Relay Link Licence (operating in the frequency band equal to or more than 8 GHz but less than 10 GHz with bandwidth equal to or more than 7 MHz but less than 14 MHz)	1
SPL.33	Radio-Relay Link Licence (operating in the frequency band equal to or more than 8 GHz but less than 10 GHz with bandwidth equal to or more than 14 MHz but less than 28 MHz)	29
SPL.34	Radio-Relay Link Licence (operating in the frequency band equal to or more than 8 GHz but less than 10 GHz with bandwidth equal to or more than 28 MHz)	3
SPL.36	Radio-Relay Link Licence (operating in the frequency band equal to or more than 10 GHz with bandwidth equal to or more than 1 MHz but less than 7 MHz)	9
SPL.37	Radio-Relay Link Licence (operating in the frequency band equal to or more than 10 GHz with bandwidth equal to or more than 7 MHz but less than 14 MHz)	18
SPL.38	Radio-Relay Link Licence (operating in the frequency band equal to or more than 10 GHz with bandwidth equal to or more than 14 MHz but less than 28 MHz).	119
SPL.39	Radio-Relay Link Licence (operating in the frequency band equal to or more than 10 GHz with bandwidth equal to or more than 28 MHz)	48
TOTAL		2118

Information Technology

Trust

Information Technology Accessible Information

New website Launched

To address the scope of functions of the Authority, the Department of Information Technology has redesigned the Authority's website. The new website came into operation on 8th August 2016.

Amongst the new features of the website is a streamlined design on the Home Page itself. Through one click of their mouse, users of the website can easily access the most sought after information. Depending on who they are, these may be application forms for type approval of equipment and information on the list of telecommunication equipment which has been type approved by the Authority.

ICT consumers can easily find the complaint forms which applicants for licences can download and access information on application procedures.

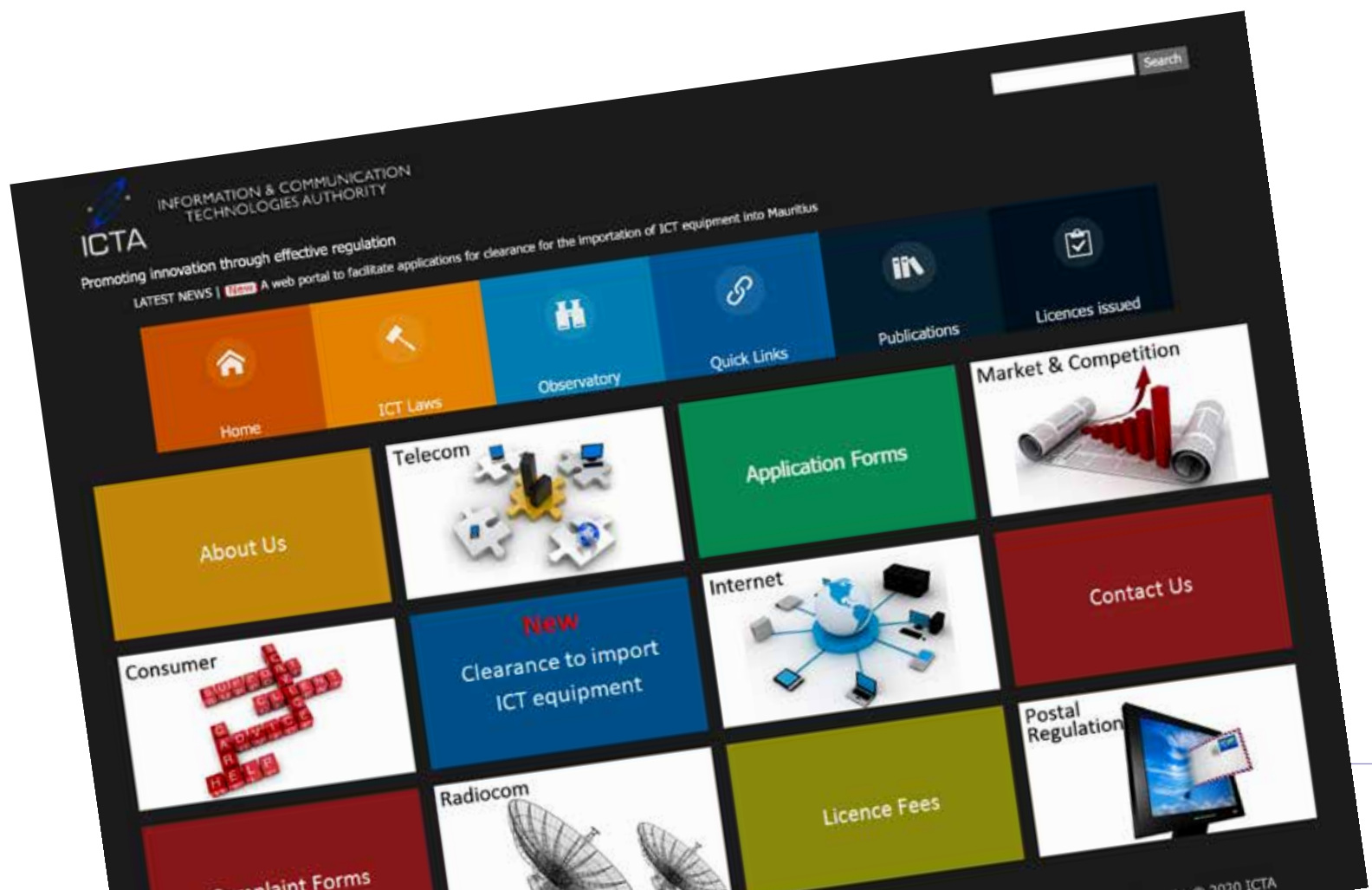
The website has been designed and coded by the internal IT staff. The new template is based on HTML 5. This provides compatibility with a range of portable devices such as smart phones, tablets, personal computers, or any compatible devices. The website does not restrict

browsers and is compatible with IE, Edge, Firefox, Chrome, Safari and Opera.

One very important feature of the new website is that it can easily integrate changes into the template and future mapping.

Looking ahead the website can be integrated with features to cater for e-licensing. E-licensing will enable applicants for services offered by the Authority to submit applications, pay for their fees online and interact with the Authority in a more dynamic manner where information is available in real time.

The e-licensing regime will also carry the advantage of providing real time data capture or mining to enable the Authority to improve its service design and delivery. Another advantage is that it empowers citizens to be more digitally savvy in line with e-government initiatives and make the whole paper based process more green and secure.



Sustaining the CSA Mechanism

Since the launch of the Child Sexual Abuse websites CSA filtering project on the 8th of February 2011, the mechanism has been operating 24/7 without failure in the filtering of access to child sexual abuse (CSA) sites for Internet users in Mauritius.

In May 2014, the supplier of this filter, NetClean migrated the physical set-up hosted at the ICTA to a more cost effective cloud-based system which offers more advantages in terms of configuration and connectivity.

After the launching of an open international tendering exercise in May 2017 NetClean was selected again as the bidder for CSA filtering solution for Mauritius.

The Authority often receives requests for guidance from individuals or organisations concerned with the protection of children, especially about online images of child pornography, including video, photos and text articles, all of which are illegal in Mauritius and internationally.

By sustaining the CSA the Authority is able to provide data and relevant information to such requests for information.



Internet of Things

A Regulatory Challenge

Where the Web Meets the Physical World

Globally, it has been estimated that there are 20 billion Internet of Things (IoT) devices in use in 2017 in the following sectors: automotive, military and aerospace, computers, consumers, industrial and medical. The key trends driving IoT are innovation and competitiveness with new business models and consolidation; in turn business models are keeping pace with IoTs; standardization and security are enabling scalability and wireless technology innovation are enabling new IoT applications. The embedding of connectivity and intelligence in a wide range of devices that IoTs constitute means a regulatory challenge for ICT regulators.

The ICTA Authority took part in the Regional Workshop for Africa on Developing the ICT Ecosystem to harness IoTs held from 28-30 June 2017 in Plaine Magnien, Mauritius. The International Telecommunications Union (ITU-D) workshop was held under the aegis of the Ministry of Technology, Communication and Innovation. It was officially opened by the Honourable Yogida Sawmynaden, Minister of Technology, Communication and Innovation.

Mr Trilok Dabeasing, Director of the Department of Information Technology made a presentation during the workshop.

Participants were asked to reflect on priority areas for facilitating IoT developments in the near, medium and longer term with regards to:

- resource allocation such as spectrum needed for communications infrastructure
- managing network security and privacy
- supporting the interoperability of devices and information
- supporting Mauritian business and citizens to develop stronger digital technical capabilities to mediate their way through the increasing complexity of digital information

It was underlined that the exponential rise in IoTs will require an evolving regulatory landscape if the full benefits of IoTs are to be harnessed.

The IoT ecosystem compels the ICT regulator to re-examine the issues raised for cybersecurity, privacy, spectrum management and equipment certification. In many ways, IoTs put paid to the inbuilt security features of mobile handsets or personal computers that



Globally, it has been estimated that there are 20 billion Internet of Things (IoT) devices in use in 2017

consumers have become used to. The entire security paradigm is altered with IoTs: low processing and low memory devices such as low cost embedded systems like CCTV DVRs. The challenge is how to embed security capabilities into these types of devices and how to apply security patches to these low memory devices. One problem is how to ensure that these devices are tamper proof when no one really checks on them.

The Type Approval procedure of the ICT Authority for telecommunication or radiocommunication equipment is to regulate the importation and use of such equipment in Mauritian territory. Type Approval procedure enables the Authority to meet its functions and duties to ensure there is no radio frequency interference, electromagnetic incompatibility or exposure to radiation levels which may not be safe for human beings. The Type Approval procedure of the Authority applies international standards.

Honourable Yogida Sawmynaden, Minister of Technology, Communication and Innovation addressing the IOT delegates.



But for IoTs, the technical standards are still being developed. Though individual jurisdictions may apply ad hoc solutions, across the world an international standardization framework is much awaited for IoTs.

Privacy will emerge as a major issue for personal data capture and the potential for use and misuse by third parties which may gain access in the cloud storage systems of mega firms. The growth in IoTs means more personal data being stored in the cloud. This in turn means greater possibilities for security and privacy breaches. What's more the cloud systems are more prone to cybersecurity attacks. One solution is to have IoTs which are encrypted or making IoTs with standardized features mandatory. Here again, we face the same dilemma from a practical standpoint.

Many of the IoT devices transmit very little information, very short packets, so that the basic crypto algorithm would not fit onto these packets. This would be another component where standardized features for IoTs should eventually become mandatory.

IoT will require a paradigm shift in spectrum management. IoTs differ based on how they connect to the Internet - whether by fixed, satellite, low-power-wide-area ("LPWA") networks, cellular, or other solutions. At this early stage of the technology, it is important that any policies are technology-and-service-neutral so as to allow all IoT technologies and use cases an equal opportunity to flourish. Otherwise, regulators and policymakers may inadvertently discourage investment and innovation.



Presentation on IoT by Trilok Dabeasing, Director of IT at ICT Authority.

A high-angle photograph of a group of people holding hands in a circle. The image is cropped to focus on the arms and hands. The people are wearing various colored long-sleeved shirts: light blue, yellow, pink, and red. One person in the yellow shirt is wearing a brown leather watch. Another person in the yellow shirt is wearing several black beaded bracelets. A person in the pink shirt is wearing a black leather bracelet. The background is a light-colored, textured floor. The overall mood is positive and collaborative.

Marketing and Communications

Relationships

Marketing and Communications

Managing Stakeholders

It is a complex set of relationships which the Authority must manage with its various stakeholders.

The Marketing and Communications Department provides the MarComms support for the Authority's activities and engagement with the various stakeholder sets and provides the support to other departments.

Using the mix of channels, MarComms activities provide the essential cement to keep information flowing into and out of the Authority across a range of key publics.

These activities are the services which the Authority is mandated by law to provide such as licensing and Type Approval authorizations. Type Approval procedure and licensing form one important aspect of the communication which must be entertained with entities who have submitted applications and queries related to these applications. The same applies for requests for information and filing of complaints from ICT consumers. In addition, there is a wide variety of requests for information across a range of topics pertaining to ICTs from e-Commerce, data protection, cybersecurity and frequency usage.

The MarComms support is extended to the departments of Engineering; Finance and Administration and Information Technology.

The scope of Marketing and Communications entails liaising with international organisations, key amongst these being the International Telecommunication Union (ITU) to exchange information on behalf of the activities of the other departments of the Authority. At regional level, the Authority nurtures links with the Communications Regulators' Association of Southern Africa (CRASA) for the Southern African Development Community (SADC) and Association of Regulators of Information and Communication of Eastern and Southern Africa (ARICEA) which is one of the institutions of the Common Market for Eastern and Southern Africa (COMESA).

As a regulator, the ICT Authority also disseminates information through the mass media and on its website with the publication of notices and communiqués to ensure that its key publics are kept up to date or are informed in accordance with the provisions of the ICT Act 2001 (as amended).

Media monitoring is also conducted to enable the Authority to feel the pulse of opinion on the ICT sector and its development and the Authority's deliverables.



Customers and consumers are provided with information to guide them across the processes of the Authority

Digital Documentation Unit

THE DIGITAL DOCUMENTATION UNIT

Throughout the year, the Digital Documentation Unit gathers information pertaining to the ICT sector from a range of sources both locally and internationally. One of the other functions of the Unit is to archive materials for reference in both hard and soft format.

The Unit provides staff in all departments with access to information on developments pertaining to ICT regulation. It holds a digital platform for its collection, processing and dissemination of information resources in various formats. Its collection comprises books, periodicals, sectoral and statistical reports, press clippings and other publications.

The materials are organised into the PMB Library system, which is an opensource integrated library system that facilitates the processing, indexing and retrieval of resources. Most of the digital collection is also organised into a user-friendly Intranet website that is easily accessible at every workstation within the Authority.

For the period January 2016 to June 2017, a total of 88 documents, entirely downloaded freely from authoritative sources, have been registered into the system and uploaded on the intranet website.

A Current Awareness System is also in place where on a daily basis, staff are kept abreast of local ICT news emanating from the local media, Hansard, Cabinet Decisions and other official sources.

The press report provides a barometer to monitor developments in the ICT sector especially events and news of pertinence to the ICT regulator. The press report, gleaned from the local media and publications with wide circulation, is made available in a timely manner to senior management and members of the Board.

Some 852 press articles were compiled into daily press reports for the 2016-2017 period. Among them 453 were directly related to the ICT Authority. All the press articles were indexed into the system and made accessible via the Intranet website.

Public Notices and Communiqués

The Documentation Unit also keeps a record of all press adverts, public notices, communiqués that the Authority has published in the local media.

In compliance to Section 24 of the Information and Communication Technologies Authority Act 2001(as amended), it is mandatory for the ICT Authority to give public notification of applications for licences it has received. In line with the above, during the period January 2016 to June 2017, the ICT Authority published the following notices and adverts in the local press.

Table 3
ICT Authority Communiqués

COMMUNIQUEÉS		Jan- Dec 2016	Jan-Jun 2017
1	Application for Licence	68	38
2	Press Communiqué	32	12
3	Tender Notice	6	2
4	Vacancy	15	9

Benchmarking visit Uganda Communications Commission

The Authority hosted a delegation from the Uganda Communications Commission led by Mrs. Susan M. Atengo Wegoye, the Director Legal Affairs / Commission Secretary. The other members of the delegation were Ms. Juliet Kiwanuka, Senior Officer Revenue; Mr. Edwin Karugire, External Counsel / Senior Partner, K & K Advocates tasked with reviewing the Policy, Legal and Regulatory framework of the UCC and Ms. Cynthia Musoke – External Counsel / Associate Partner, K&K Advocates.

The exchanges covered the following topics: licensing framework; the legal framework; regulation of value added services; the universal service fund; spectrum management; competitive framework; regulation of print media; the universal service fund; spectrum management and tribunals. The delegation paid a courtesy call on the

Minister of Technology, Communication and Innovation, the Honourable Yogida Sawmynaden.

From 22-26 May 2017, the ICT Authority welcomed a delegation from the Uganda Communications Commission (UCC). The parent ministry of the UCC has been restructured from the Ministry of Information and Communications Technology and has now become the Ministry of Information and Communications Technology and National Guidance.

As one of the agencies under the restructured parent ministry, the UCC is anticipating a change in its own mandate and has undertaken a review of its roles and activities. It is in view of this that the request for the Benchmarking visit had been requested by the UCC.



UCC
Delegation
with the
Chairman of
ICT Authority,
Mr M. A Bocus
and Senior
Management

Working Session

Outreaching to Youth



Outreach session on netiquette

The Authority was invited on two occasions to address secondary school students in two institutions during 2017 to speak on ICT issues of relevance to youth.

Netiquette or appropriate and responsible behaviour online was deemed an important topic for youth. The presentations were made to the College du St Esprit, Rivière Noire and to Mahatma Gandhi Secondary School, Moka. The students' and teachers' feedback was positive. Many had not realized the legal implications of misusing ICT devices. It was also an opportunity for the youth to become more aware about the methods to protect their online persona and avoid falling prey to cyberbullying or grooming. Students were given an overview of the ICT regulator.

Social Regulation

Rights and
Responsibilities



Social Regulation

Consumer Complaints

Consumer Issues: a rights and responsibilities approach

Technological evolution and the availability of a wider range of services marketed by service providers means that National Regulatory Authorities are continually faced with new challenges when addressing consumer issues.

Section 18 (1)(o) of the ICT Act 2001 (as amended) provides for the Authority to entertain complaints from consumers in relation to any Information and Communication Service (ICS).

These complaints provide a snapshot to the Authority of how consumers are faring in a liberalized market and the kinds of issues which may prevail at a particular time. Quarterly charts of complaints handled provide a snapshot of what preoccupies consumers during a given quarter.

ICT consumers can receive guidance from the Authority on how to make a complaint and also how to follow upon their grievances with their service providers. The Authority endeavours to address this in as fair handed and timely a manner as possible. As such the Authority adopts an approach whereby consumers are encouraged to be aware that they have rights but also responsibilities.

The complaints handled at the Authority are those pertaining to licensed operators. But there are also complaints and requests for information which are not within the immediate purview of the Authority to take action. In such cases guidance and information is provided.

Officers in the Department of Marketing and Communications are on hand to offer face to face advice for visitors dropping in at the Authority to make a complaint or obtain information. The requests for information comprises a vast array of subjects from involving online financial transaction or information or objectionable material on social network sites or data protection and privacy.

ICT Authority contributes to Citizen Support Portal

e-Government initiatives also saw the launch of the Citizen Support Portal. The ICT Authority is one of the active stakeholders on the CSP and is assigned tasks by the parent ministry and other public institutions. The Authority has integrated the CSP mechanism into its complaints handling mechanism to further serve the interests of consumers who want ever shorter timeframes in complaints resolution.

Charts Depicting Complaints

The charts and tables provide an overview as to the number of complaints handled by the Authority under specific categories: billing, customer care and provision of service, online-related transactions and social media. These charts are generated from the Complaints Register which the Authority maintains to monitor complaints channelled to it by members of the public and other stakeholders.

Service provision complaints against the licensed operators represent the most prominent type of complaint. These complaints would encompass dissatisfaction over the level of service, most often pertaining to variable Internet speeds, bills and customer service. Internet-related complaints are those pertaining to complaints consumers send not about Internet service provision but about transactions online or behaviour of Internet users, in particular, social media account holders.

Consumer Complaints

Written Complaints 2016

Table 4

NUMBER OF COMPLAINTS JAN-DEC 2016

Categories	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total 2016
Billing	5	2	1	2	10
EMF	4	2	4	2	12
Internet Related	19	10	16	15	60
Legal/Security	2	0	1	2	5
Provision of Services	61	35	40	33	169
Postal Services	1	1	0	2	4
Others	4	12	3	6	25
Total	96	62	65	62	285

Chart 4.1

COMPLAINTS FOR THE PERIOD JAN -MAR 2016

(To the nearest percentage)

January-March 2016

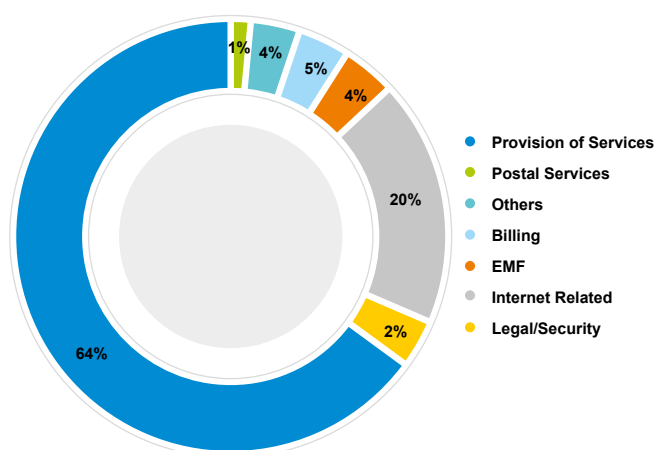
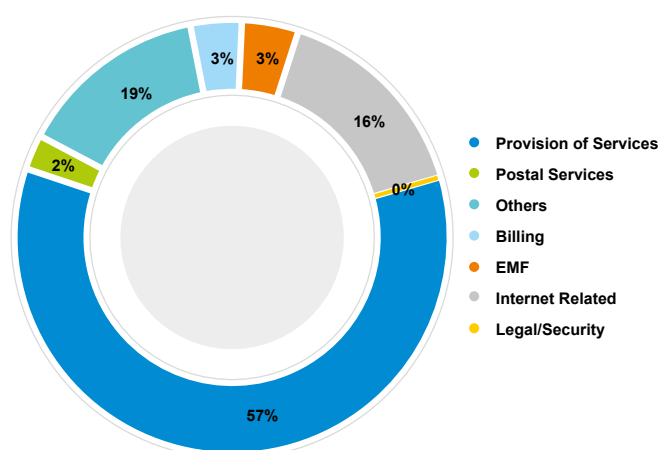


Chart 4.2

COMPLAINTS FOR THE PERIOD APR- JUN 2016

(To the nearest percentage)

April-June 2016



Consumer Complaints

Chart 4.3
COMPLAINTS FOR THE PERIOD JUL -SEPT 2016
(To the nearest percentage)

July - September 2016

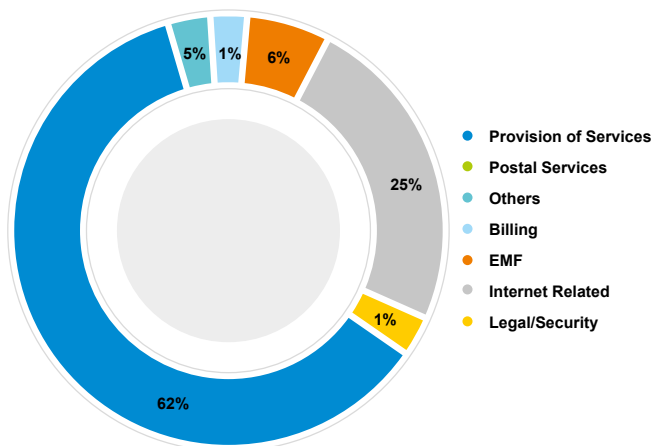


Chart 4.4
COMPLAINTS FOR THE PERIOD OCT - DEC 2016
(To the nearest percentage)

October - December 2016

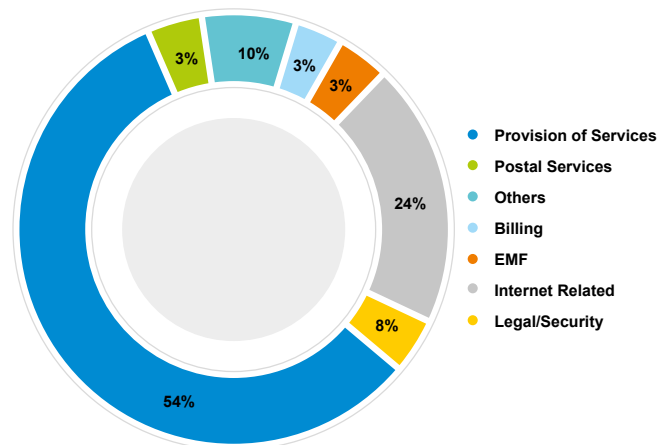


Table 5
Number of Complaints JAN - JUN 2017

Categories	1st Quarter	2nd Quarter	Total 2017
Billing	2	7	9
EMF	0	0	0
Internet Related	21	12	33
Legal/Security	1	0	1
Provision of Services	26	26	52
Postal Services	0	0	0
Others	5	4	9
Total	53	42	95

Consumer Complaints

Chart 5.1
COMPLAINTS FOR THE PERIOD JAN -MAR 2016
(To the nearest percentage)

January - March 2017

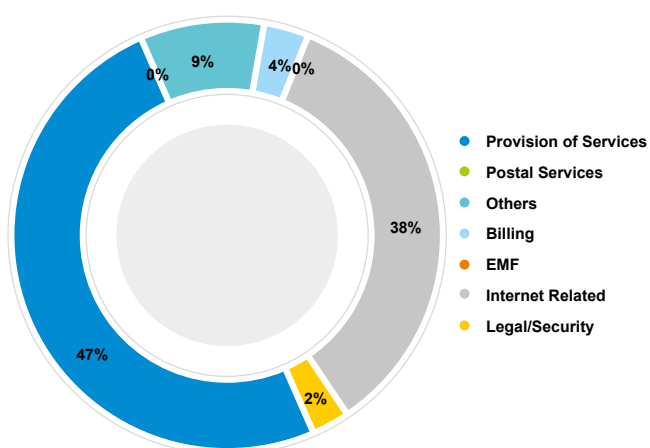
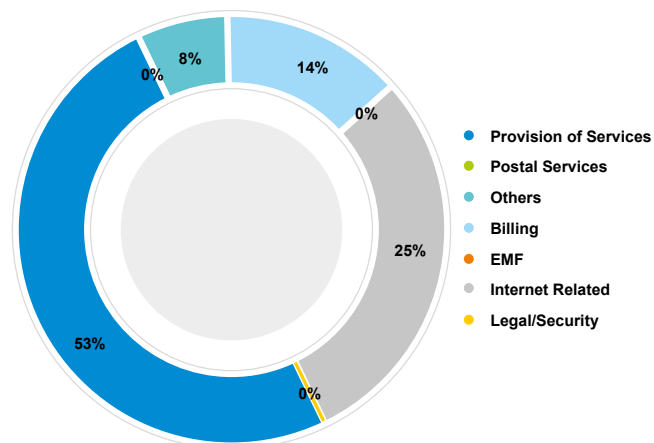


Chart 5.2
COMPLAINTS FOR THE PERIOD APR - JUN 2016
(To the nearest percentage)

April - June 2017





ICT Observatory

Indicators

ICT Observatory Unit

ICT indicators

a foundation stone for policy making

The Authority has a number of obligations under the ICT Act (2001 as amended) to produce surveys and reports. As part of endeavours to meet these obligations, an ICT Observatory was set up in 2009.

The Observatory as its name implies, gathers and compiles data and acts as a focal point for the provision of accurate core ICT indicators. The data is collected and released periodically as set out in the Statistical Calendar below.

Such data enables the Authority to provide information and advice to the policy maker to track the progress of the ICT sector in Mauritius and scan regulatory trends to facilitate decision making based on empirical evidence. The information may also be made available in a non-discriminatory manner to the relevant stakeholders. In addition, ICT indicators may also be used to benchmark with international trends.

TABLE 6
STATISTICAL RELEASE CALENDAR

	NAME OF QUESTIONNAIRE	ADDRESSED TO	PERIODICITY	COLLECTION PERIOD	DATA PUBLISHED
1	Quarterly Data Collection Forms	All Operators	Quarterly	March, June, September, December	Annually
2	Interconnection with ILD Operators	Fixed / Mobile Access Providers	Quarterly	March, June, September, December	Submitted upon formal request
3	Breakdown Internet Subscribers by Advertised Speed	ISP OPERATORS	Quarterly	March, June, September, December	Submitted upon formal request

Table 7
KEY ICT INDICATORS OF THE REPUBLIC OF MAURITIUS

	BASIC INDICATORS	JANUARY 2016	30th JUNE 2017
1	Fixed Line Subscribers (business & residential)	389,500	401,600
2	Mobile Cellular Subscriptions (Post-paid & pre-paid)	1,817,900	1,800,500
3	Number of Internet Subscriptions (Fixed Accessed Network & Mobile Access Network)	1,090,300	1,139,800
4	Total Broadband Internet Subscriptions (Fixed Accessed Network & Mobile Access Network)	863,400	911,900
5	Total Narrowband Internet Subscriptions (Fixed Accessed Network & Mobile Access Network)	226,900	227,900

Table 8
PERCENTAGE GROWTH IN THE ICT SECTOR

	BASIC INDICATORS	30 JUNE 2016	30 JUNE 2017	PERCENTAGE GROWTH
1	Fixed line subscriptions	382,900	401,600	5 %
2	Fixed Line Population Penetration Rate	30 %	32 %	2 %
3	Mobile cellular subscriptions	1,770,800	1,800,500	2 %
4	Mobile Penetration Rate	140 %	142 %	2 %
5	Total Internet subscriptions	988,100	1,139,800	16 %
6	Internet Population Penetration Rate	78 %	90 %	12 %
7	Total Broadband Internet Subscriptions	789,200	911,900	16 %
8	Broadband Internet Population Penetration Rate	62 %	72 %	10 %
9	Total Narrowband Internet Subscriptions	198,900	227,900	15 %
10	Narrowband Internet Population Penetration Rate	16 %	18 %	2 %
11	FTTH	98,500	186,600	89 %
12	FTTH Population Penetration Rate	8 %	15 %	

Table 9
TRENDS IN INTERNATIONAL LONG DISTANCE VOICE CALLS

MARKET FOR INTERNATIONAL LONG DISTANCE SERVICES	31 Dec 12	31 Dec 13	31 Dec 14	31 Dec 15	31 Dec 16	June 17
DATA ON CALL USAGE						
Volume of ILD Calls originated from Fixed Access Networks (000 minutes)	31,735	22,795	21,729	22,146	18,038	10,182
Volume of ILD Calls originated from Mobile Access Networks (000 minutes)	78,721	74,917	82,191	69,686	58,129	24,376
Total Outgoing ILD Voice Calls (000 minutes)	110,456	97,712	103,919	91,833	76,168	34,559
Volume of ILD Calls terminated to Fixed Access Networks (000 minutes)	64,426	61,646	47,429	44,018	35,474	15,167
Volume of ILD Calls terminated to Mobile Access Networks (000 minutes)	79,474	73,220	66,777	60,034	47,794	19,168
Total Incoming ILD Voice Calls (000 minutes)	143,900	134,866	114,206	104,052	83,268	34,334

Note: Figures are from access providers

Over the last 5 Years both Outgoing and Incoming Traffic have been decreasing drastically.
This situation arises as many subscribers (Fixed and Mobile) are using Over The Top (OTT) applications to communicate

Chart 9.1
TOTAL OUTGOING ILD VOICE CALLS

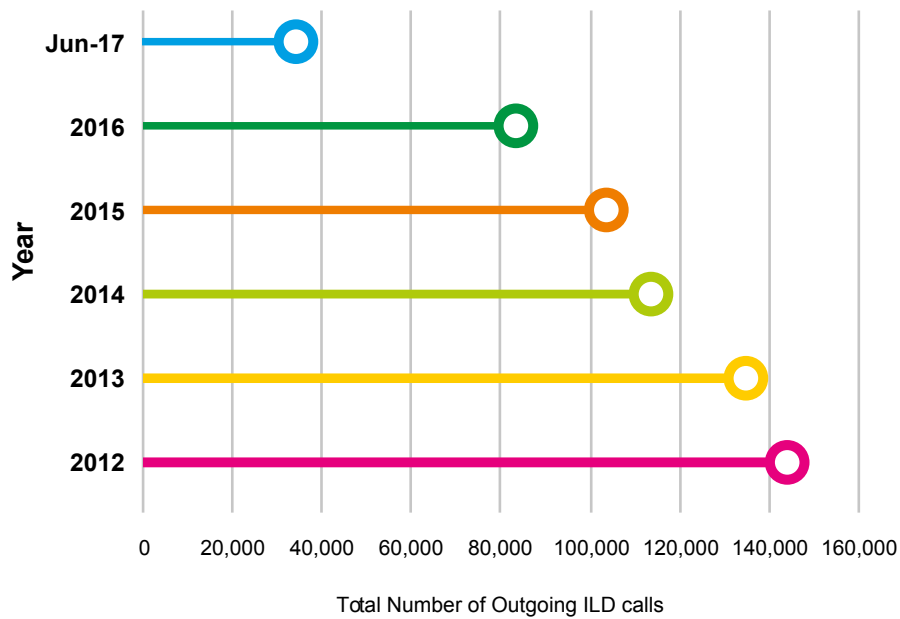
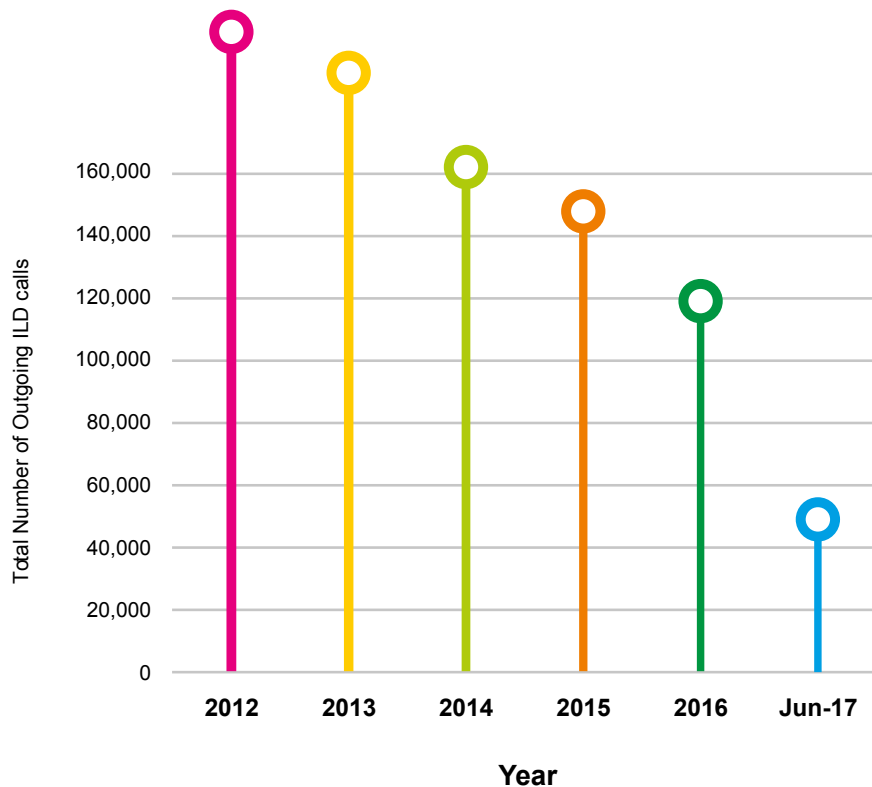


Chart 9.2
TOTAL INCOMING ILD VOICE CALLS



The background of the slide features a hand in a business suit holding a pen, drawing a red line that trends upwards and to the right, ending in an arrowhead. This line is overlaid on a faint grid. To the left of the hand, there is a series of vertical bars of varying heights, each topped with a red dot. A horizontal red line connects these dots. At the very top of the image, there is a network diagram consisting of blue dots connected by thin blue lines. The text 'Economic Regulation' is positioned in the upper left area.

Economic Regulation

Jun Jul Aug Sep Oct Nov Dec

A green rectangular box is located in the lower right portion of the slide. It contains the text 'Consumer choice' in white. The box is semi-transparent, allowing the background image of the hand and pen to be visible through it.

Consumer
choice

Economic Regulation

New entrants, buoyant market, innovative Broadband offerings and sustained progress in mobile Internet subscriber take up

The Authority has processed around 60 tariff applications on Information and Communication Services (ICS) made by various licensed operators over the period from 1st January 2016 to 30 June 2017. Among the various determinations (Table 10) made by the Authority, the main highlights pertain to the launch of:

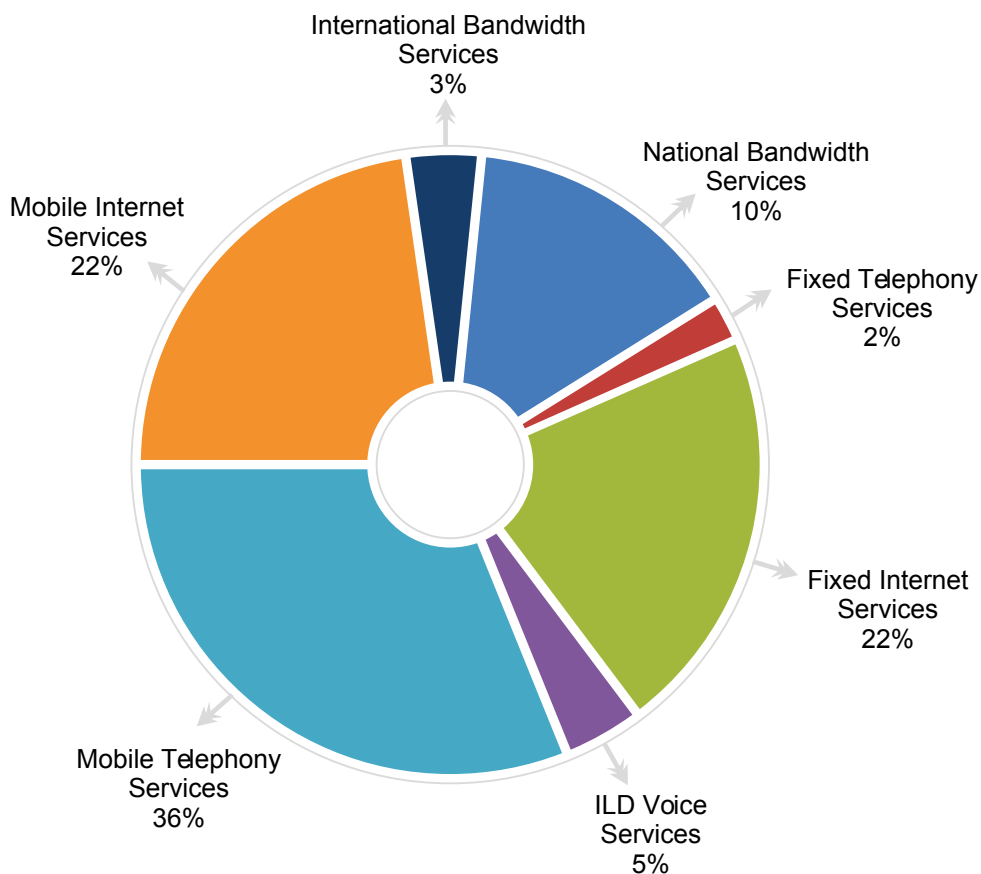
- (i) new national bandwidth services by new and existing operators
- (ii) new prepaid and postpaid mobile telephony services including bundled offers
- (iii) new mobile Internet services with the notion of unlimited allowances
- (iv) new residential and business broadband Internet

offers over fibre together with a wider range of speed denominations on offer.

As observed from the Chart 9.3, licensed operators involved in the commercialisation of mobile telephony, mobile Internet and fixed Internet services respectively have been particularly active in terms of the submission of tariffs for determination by the Authority, accounting for around 80% of all applications submitted.

Further details on the evolution of tariffs for selected infocom services are displayed at Table 10, 11 and Table 12 below.

Chart 9.3
TARIFF APPLICATION BY SERVICE - JANUARY 2016 - JUNE 2017



Economic Regulation

Further details on the evolution of tariffs for selected infocom services are displayed at Table 10, 11 and table 12 below.

Highlights

1. Launch of national bandwidth services by new/existing operators

A major development during the period under review pertains to the coming into operations of new entrants within the national bandwidth market segment. This was also accompanied by the launch of new offers by existing operators, which have adopted a more active commercial strategy in this segment. This has consequently led to a wider range of national bandwidth services being currently made available to downstream licensed operators at more accessible and affordable tariffs.

Chart 9.4 illustrates that new bandwidth denominations reaching up to a maximum of 4.5Gbps in June 2017, are now being commercialised, representing beyond a 200-fold increase in terms of speed. Such evolution is expected to contribute significantly in fostering further competition in this particular segment by impacting positively on the tariffs and quality of retail services such as internet access among others.

2. Launch of innovative mobile telephony plans

Faced with the challenges posed by Over the Top (OTT) applications in a converged ICT environment, it has become imperative for mobile operators to continue evolving their services so as to secure long-term profitability, customer loyalty and growth.

Indeed, mobile operators have had to innovate by introducing new prepaid and postpaid mobile packages with enhanced features at competitive rates.

Such distinguishing features of the mobile plans pertain to the associated notion of 'unlimited' allowances, bundling of

different services into a single offer or novel validity periods such as 'night packages' or 'off-peak packages', rendering the mobile services even more appealing to end-users in terms of freedom of choice.

3. Sustained growth in mobile internet services

The interplay of the mobile platform as a mode of access to the Internet has continued gaining in popularity over the past timeline, with the subscriber take-up for mobile data services rising by about 43% from December 2015 to June 2017. In addition, service providers offering mobile data connectivity have gone one step further in promoting innovation through the provision of unlimited night packs and bundled offers which not only include package allowances such as free SMS, free and unlimited Facebook, WhatsApp and Twitter but also enhanced features such as music streaming and download. The availability of such diverse packages is expected to cater for a variety of consumption patterns and also to match the smart capabilities of an ever increasing range of consumer electronic devices.

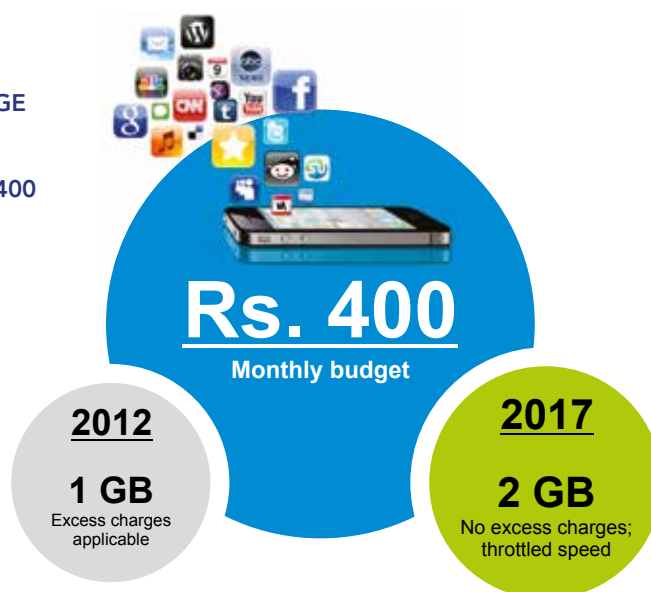
In terms of tariffs for internet access over mobile platforms, the cheapest package of a postpay 1GB stood at Rs 195.65 per month, corresponding to a significant reduction of around 35% from 2012 to June 2017. Moreover, new offers with unlimited volume allowances enable customers to benefit from substantial savings given that the equivalent per GB tariff would be significantly reduced.

Chart 9.5 shows a typical budget of Rs 400 per month, a subscriber was able to purchase a 1GB mobile data pack in 2012, with additional per MB charges applicable for excess consumption. For the same amount in June 2017, a subscriber was able to have the choice of a corresponding 2GB mobile data package, with the possibility of excess consumption at no additional cost but with throttled download speed once the package allowance is used up.

Chart 9.4
NATIONAL BANDWIDTH SERVICES
EVOLUTION OF MAXIMUM
BANDWIDTH DENOMINATIONS



Chart 9.5
MOBILE INTERNET PACKAGE
DENOMINATION
COMPARISON WITH A
MONTHLY BUDGET OF Rs.400



4. Launch of new fixed Internet access services

With regards to fixed Internet access services, a number of new high-speed residential and business broadband Internet offers, notably over the fibre technology platform, are now available over the period under review. This has helped in broadening the degree of choices available to the residential, SMEs, SOHOs and corporate users in particular.

This was also accompanied by substantial reductions ranging between 32% and 86% in the tariffs of both residential and business oriented Internet services. This is expected to further supplement competition and meet the growing demand for access to the Internet across the country.

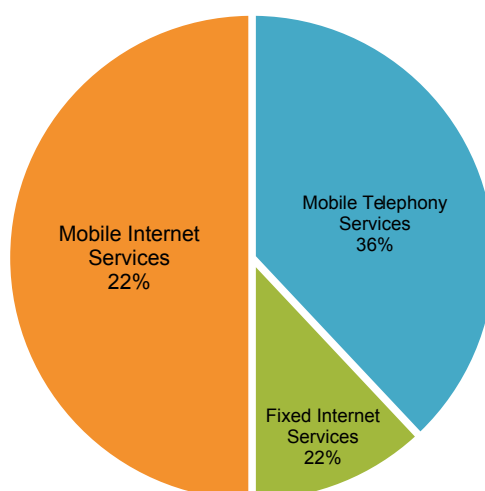
5. Promotional Offers on ICS

In terms of promotional activities undertaken by licensed operators, the Authority processed around 100 promotional tariff applications over the period under review with the majority being commercially implemented

Chart 9.6 depicts that promotional activities were primarily undertaken by PLMN and/or ISP licence holders on services such as mobile telephony and recharge services as well as mobile Internet and fixed Internet access services in particular.

In a bid to further enhance customers' experience and attract more subscribers, licensed operators continue to adopt innovative promotional strategies in the form of free allowances, participation in lucky draws, bonuses or appealing tariff discounts among others.

Chart 9.6
APPLICATION FOR THE PROMOTIONAL
OFFERS BY SERVICES
JANUARY 2016 - JUNE 2017



Economic Regulation

Table 10
Evolution of Tariffs

TARIFFS FOR POSTPAID SERVICE - OUTGOING IDD CALLS(RS/MIN) TO:	2012	2013	2014	2015	2016	June 2017
UK	3.90	2.00	2.00	2.00	2.00	2.00
France	3.90	2.00	2.00	2.00	2.00	2.00
India	2.70	2.00	2.00	2.00	2.00	2.00
China	2.70	2.00	2.00	2.00	2.00	2.00
USA	2.70	2.00	2.00	2.00	2.00	2.00
TARIFFS FOR PREPAID MOBILE TELEPHONY SERVICE (Rs)						
Mobile to Mobile On-net call of 3 minutes duration	2.40	2.40	2.40	2.40	2.40	2.40
Mobile to Mobile Off-net call of 3 minutes duration	5.40	5.40	5.40	5.40	5.40	5.40
Mobile to Fixed call of 3 minutes duration	8.10	8.10	8.10	8.10	8.10	8.10
TARIFFS FOR INTERNET ACCESS SERVICES (Rs/month)						
ADSL						
ADSL 512 kbps (Unlimited Volume Usage):						
Residential use	621	621	621	447	252	252
Business use	890	890	890	890	890	890
ADSL 1 Mbps (Unlimited Volume Usage)						
Residential use	708	708	708	708	708	708
Business use	1,890	1,890	1,890	1,890	1,290	1,290
FIBER						
Fibre 10Mbps (Unlimited Volume Usage);						
Residential use	5,085	5,085	5,085	720	720	720
Business use	19,595	19,595	19,595	7,500	7,500	7500
MOBILE INTERNET						
Prepaid daily mobile internet plan (valid for 24 hours)	16.50	10.00	8.70	5.22	5.22	5.22
Prepaid weekly mobile internet plan (valid for 7 days)	42.61	40.00	40.00	39.13	39.13	39.13
Postpaid plan of 1 GB capacity (valid for 1 month)	299	275	216.52	195.65	195.65	195.65

Notes:

1. The tariffs provided for the relevant service markets refer to the cheapest approved tariffs being commercialised across licensed operators for a given period.
2. The tariffs provided refer to selected service categories, where operational, in order to allow for indicative and consistent comparisons.
3. The tariffs provided for the prepaid daily mobile internet plan refer to data allowances varying from 25MB to 40MB.
4. The tariffs provided for the prepaid weekly mobile internet plan refer to data allowances varying from 200MB to 750MB.

Economic Regulation

Table 11

Determination by ICTA on Applications for Tariffs of Telecommunications Services January - December 2016

MONTH	OPERATOR	TARIFF APPROVAL BY SERVICE	DETAILS
Jan-16	MT	Toll Free Service	Validation of tariffs for its toll free '800 xxxx' service on MT's fixed network
	DCL	ISP Servicesw	Revision of tariffs of existing offers and launch of new denominations
	Emtel	ILD Services	Revision of tariffs for ILD 030 services for selected destinations
Feb-16	Emtel	Postpaid Bundles	Launch of new postpaid bundles
		Mobile Voice Services	Launch of Unlimited Weekly Off-Peak On-Net Voice Package
		Fixed wireless Internet service	Revision of tariffs of existing offer and launch of new offers
		Mobile Internet Service	Launch of prepaid weekly 750MB package
Mar-16	Emtel	Segmented Offers - Mobile Recharge	Permanent bonus on segmented offers of Rs50 & Rs100 recharge denominations
	MT	Internet Services	Launch of fibre-based domestic broadband internet offers
	EIS	Internet Services	Revision of tariffs of existing offers
		National Bandwidth Services	Launch of Wholesale National Bandwidth Services
		National Bandwidth Services	Launch of Retail National Bandwidth Services
	MTML	Mobile Internet Service	Launch of Monthly 50 GB and Unlimited data packs
		Enterprise broadband Service	Revision of Tariffs for Enterprise Broadband service
		GSM Voice Service	Launch of MTML Own Network Free Packages
		GSM Voice Service	Launch of MTML GSM Unlimited Packages
		CDMA Voice Service	Launch of new CDMA Economy Plus Plan
Apr-16	Emtel	ILD Service	Revision of tariffs for 155Mbps under IPL service in Mombassa
May-16	Emtel	Prepaid Flat Rate Plan	Launch of new prepaid offer with uniform tariffs for local calls
	Emtel	Prepaid Combo Offer	Launch of new prepaid offer with voice, SMS and data
Jun-16	Emtel	Mobile Internet Service	Launch of prepaid daily 40MB & weekly 250MB denomination
		Mobile SMS	Launch of unlimited daily SMS offer
		Mobile Internet Service	Launch of prepaid daily 250MB denomination
		ILD Services	Revision of tariffs for ILD 030 services for 23 selected destinations
Jul-16	Cellplus	New Prepay Plan	Launch of new daily prepay unlimited voice package
	Emtel	Mobile Internet Service	Special consideration in relation to Segmented Data Offers
Aug-16	Emtel	Mobile Voice & SMS Services	Launch of starter pack for university students with special tariffs for voice calls and sms
		Mobile Internet Service	Launch of mobile internet packages with music offers
	Cellplus	Mobile Internet Service- WeChat	Launch of new mobile internet packages associated with WeChat App
Sep-16	Emtel	Emtel Connect - VPN	Launch of new bandwidth denominations
Oct-16	DCL	National Bandwidth Services	Launch of NBW services
Dec-16	Les Relais	Business Internet Service	Launch of new capped & uncapped plans
		National Bandwidth Services	Launch of NBW services
	MCS	Internet via Public Wi-Fi Hotspots	Launch of new internet packages
	Emtel	Fixed Internet & Voice (VoIP)	Launch of new offer - 10Mbps

Economic Regulation

Table 12
Determination by ICTA on Applications for Tariffs of Telecommunications Services January - June 2017

MONTH	OPERATOR	TARIFF APPROVAL BY SERVICE	DETAILS
Jan-17	Emtel	Fixed wireless Internet service	Launch of new prepaid and postpaid monthly H&O packages & withdrawal of existing offers
		Mobile Services	Launch of new prepaid Daily Combo Offer
		Mobile Services	Launch of new prepaid Unlimited Daily Mixed Offer
		Mobile Services	Revision in tariffs of Unlimited Daily SMS Offer
		Mobile Services	Launch of new Unlimited Postpaid Bundle
		Fixed Internet & Voice (VoIP)	Launch of offers on new delivery channel namely mobile technology
		Mobile Internet Service	Launch of new unlimited mobile internet packs
	MT	Broadband & Superfast Broadband Offers	"Launch of new offers and revision of tariffs under its FTTH broadband service Launch of new offers and revision of upload speed of existing offers under its Superfast broadband service"
	MTML	Mobile Internet Service	Launch of daily 1GB package
		Enterprise broadband Service	Launch of new offers under Enterprise Broadband Service
		GSM Mobile Services	Launch of Chili Pack 75 & Chili Freedom Package
Mar-17	Emtel	Mobile Internet Service	Launch of new unlimited mobile internet packs for Emtel Cash recharge channel
		Local SMS	Revision in tariffs of Unlimited Daily SMS Offer
		Mobile Internet Service	Launch of new special MC Vision channels mobile internet packs
	Les Relais	Managed Ethernet WAN Services	Launch of Managed ethernet WAN services
Apr-17	Emtel	ILD Services	Revision of tariffs for ILD 030 services for 24 selected destinations
		Postpaid bundles	Revision of SMS allowances to unlimited SMS for postpaid bundles
		Mobile Internet Service	Revision of speeds for new unlimited mobile internet packs
		Mobile SMS	Launch of new prepaid and postpaid unlimited monthly local SMS offers
		Mobile Voice Services	Launch of new prepaid and postpaid unlimited monthly on-net voice offers
		Mobile Internet	Launch of new prepaid daily and weekly TopUp mobile internet packs (Snack Pack)
May-17	Emtel	Prepaid Monthly Combo Offer	Launch of new monthly prepaid offer with unlimited on-net voice, unlimited SMS and unlimited 2GB data
	Bharat Telecom	Shop & Small Enterprise Internet Access Service	Launch of fibre-based offers under 'Shop & Small Enterprise' internet access service
Jun-17	MT	IPLC Services	Revision of Retail Bilateral IPLC Half Circuit Service



Service Regulation

Amendments
to ICT Act

Amendments to ICT Act in 2016

Providing legal and logistical conditions to enable live broadcast of proceedings and debates of National Assembly

The Information and Communication Technologies Act 2001 was amended in November 2016. The 2016 amendments made it possible for Multi Carrier Mauritius Ltd (MCML Ltd) to be exempted from payments of fees to the ICT Authority for the live broadcast of the proceedings of the National Assembly. The main objects of the amendment to the ICT Act was to create the necessary legal framework to enable Multicarrier (Mauritius) Ltd to operate the transmission stations for the live broadcast and to be exempted from the payments of the said fees.

The amendments brought to the ICT Act in 2016 consequently, necessitated amendments to the Independent Broadcasting Act and the National Assembly (Privileges, Immunities and Powers) Act. Section 18 of IBA Act was therefore amended to exempt the National Assembly from the requirement of a licence in order to provide live broadcast of its proceedings. Section 3 of the National Assembly (Privileges, Immunities and Powers) Act was amended to provide that no civil or criminal proceedings shall be instituted against any person for broadcasting the proceedings of the National Assembly.

Other amendments were brought to the ICT Act to enable the Authority to fulfil its multifarious functions.

(i) Section 2 pertaining to interpretation was amended in order to bring clarity and precision on certain terms pertinent to the Act. A few terms were deleted and replaced while new ones added to cover different aspects of the ICT sector. The term "Minister" was clearly defined to refer to the Minister to whom responsibility of the ICT Authority is assigned. The same definition would apply to section 12, 34, 35 and 36.

(ii) Section 3 pertaining to exemption of certain bodies from compliance with the provisions of the ICT Act, and

this, in the interest of the sovereignty of the State, national security or public order and in order to facilitate the use of telecommunication and ICT resources in disaster management.

(iii) Section 5 was repealed and replaced to enable the appointment of other ex-officio members on the ICT Authority Board, namely: the representative of the Ministry of Finance and Economic Development, the Ministry of Technology, Communication and Innovation and the Attorney General's Office on the ICT Authority Board. Apart from the Chairperson and the four ex-officio members, the Minister could appoint four other members to sit on the ICT Authority Board. The terms of office and conditions of the appointed members are henceforth to be determined by the Prime Minister.



Providing necessary legal and logistic conditions to enable live broadcast of the proceedings and debates of the National Assembly

(iv) Section 6 was amended to bring the number of members constituting the quorum on the ICT Board from 4 to 5. It is also stipulated that remuneration and allowances to members are to be decided by the Minister and paid from the General Fund.

(v) Section 7 was amended to clarify the disqualification of membership to the ICT Board. Over and above the stipulated conditions, any person who acts contrary to the principal Act would be automatically disqualified from membership of the ICT Board.

(vi) Section 18 was amended to exempt Multicarrier (Mauritius) Ltd (MCML) from payment of any fees for the broadcasting of the proceedings of the National Assembly. This amendment enables MCML to allocate a broadcasting channel directly to the National Assembly.

(vii) Part V, Transfer of Assets, Liabilities and Employees:– The fact that the Mauritius Telecommunication Authority was fully absorbed into the ICT Authority and accordingly all assets, interests, rights, privileges, liabilities and obligations were duly transferred, part V of the Act was therefore repealed.

(viii) Section 32 was amended to provide more clarity to the confidentiality aspect of a message or any information relating to a message that comes to the knowledge of any person by any virtue. A new subsection (7) was added to clarify the term “message” and the “information and communication message”.

(ix) A new section 45A was annexed to Section 45 so as to make provisions for the execution of documents in the Act as is the case for statutory bodies. It is

mandatory that any deed or document relating to financial matters be signed by the Chairperson or in his absence, any other member designated by the Board; and the Executive Director or, in his absence, any other employee designated by the Executive Director.

(x) Section 46 was amended to enable the Act to cater for such offences as sending, delivering or showing a message which is obscene or indecent and tampering with the International Mobile Station Equipment Identity (IMEI) which is a unique identifying number for mobile.

(xi) Amendment was brought to Section 48 to increase the ceiling for fines for offences committed under regulations to this Act from Rs 10,000 to Rs 50,000. The present ceiling had remained unchanged since the enforcement of the ICT Act in 2001. The increase was seen as necessary in order to deter offences.



Table 13
COMMERCIAL LICENCES ISSUED

APPLICANT	COMMERCIAL LICENCE ISSUED	EFFECTIVE DATE
DATA COMMUNICATIONS LTD	Internet Service Licence - C.08	02-Apr-16
HAREL MALLAC TECHNOLOGIES LTD	Internet Service Licence - C.08	25-Aug-16
EMTEL LIMITED	Public Land Mobile Network (PLMN) Licence - C.03	06-Dec-16
LES RELAIS LIMITED	Public Mobile Radio Trunking System Licence- C.05	28-Jan-16
MASCAREIGNES CONNECT LTD	Internet Service Licence- C.08	05-Jun-17

Table 14
DEALER'S LICENCES - NEW/RENEWAL
JANUARY - DECEMBER 2016

1.	SEATRONICS (MAURITIUS) LTD
2.	MOHAMUD SHAREZ BULLADIN
3.	AUTOMATION AND CONTROLS ENGINEERING LTD
4.	SHUTTER LUX CO LTD
5.	SIMPLECO TECHNOLOGIES LTD
6.	VIASPACE LTD
7.	SIXTH OCEAN LTD
8.	KAIRA MAURITIUS PVT LTD
9.	VIVA ALU LTEE
10.	MAMMOUTH TRADING CO LTD
11.	SUN MOBILE CO LTD
12.	SIGNATURE CARS LTD
13.	TECHRADAR LTD
14.	PHONE UNIVERS LTD
15.	AXESS LIMITED
16.	ABC AUTOTECH LTD
17.	MOHAMMAD BEELALL RAHIMAN
18.	THREE G MOBILE (MAURITIUS) LTD
19.	D.A.Y MARINE AND SERVICES LTD
20.	CFAO MOTORS (MAURITIUS) LTD
21.	VERSOPUB LTEE
22.	E. PHILIPPE Y.C. HA SOON
23.	QUICK COMPUTER SUPPLIES LTD
24.	LEAL COMMUNICATIONS & INFORMATICS LTD
25.	MEGABYTE LTD
26.	MOOTIN ENGINEERING LTD
27.	CELL MART LTD
28.	INNOLVA LTD
29.	SOUTHERN GEOMATICS LTD
30.	MEDICAL COMPUTER COMMUNICATION CARAIBE LTD
31.	GOLD ELECTRONICS (MAURITIUS) LTD
32.	VARCO DISTRIBUTORS LTD
33.	FRANCK ALEXANDRE RENE FETICK
34.	PRAKASH AUBEELUCK
35.	SURVEY SOLUTIONS LTD
36.	LINXIA LTD
37.	SAFETRACK (MAURITIUS) LTD.
38.	LITHE SOLUTIONS DISTRIBUTOR LTD
39.	SCREENAGE LIMITED
40.	VERTICAL TECHNOLOGY SERVICES LTD
41.	SUPER SCREENS LTD
42.	CATECO (MAURITIUS) LTD
43.	KADTERRA LTD
44.	SMARTLOGIC LTD
45.	MICROAGE SYSTEMS LTD
46.	EMERITUS MARKETING LTD
47.	VOIPEX CO LTD
48.	ITSOLVZ LTD
49.	GOLD ELECTRONICS INTERNATIONAL LTD
50.	SKR COMMUNICATIONS LTD.
51.	ACCUSAFE LTD
52.	DUCRAY LENOIR LTD.
53.	TECHNICAL DYNAMICS LTD
54.	PRINCE COMPUCONNECTIONS LTD
55.	FUR RENTAL EQUIPMENTS LTD
56.	AZ ACCESSORIES LTD.

57.	CYBERNAPTICS LTD
58.	CLOUDHUB CO LTD
59.	HASSAM MOUSSA RAWAT DISTRIBUTION LTD
60.	MILLENIUM POWER COMPUTERS LTD
61.	MOBIMEA LTD.
62.	TRAK N STOP LTD
63.	POWERSURE LTD
64.	NETTOBE
65.	HUAWEI TECHNOLOGIES (MAURITIUS) CO. LTD
66.	MODAFONE LTD
67.	GLOBALCOM COMPANY LTD
68.	LINUX SOLUTIONS LTD
69.	LORDS & MASTERS COMPANY LIMITED
70.	FL ENVIRONMENT LTD
71.	BULLADIN MOHAMUD SHAREZ (SKY GPS TRACKER)
72.	SHUTTER LUX CO LTD
73.	AUTOMATION AND CONTROLS ENGINEERING

Table 15
DEALER'S LICENCES - NEW/RENEWAL
JANUARY - JUNE 2017

1.	Le Warehouse Ltd
2.	Pice Guru Ltd
3.	Alan Christopher & Co. Ltd
4.	TRANSACTION PAYMENT SOLUTION INDIAN OCEAN LTD
5.	UNIK TIME & TECH LTD.
6.	MAURITECH LTD
7.	MUHAMMAD SAJEED SHAM
8.	SMART BAY LTD
9.	GOTECH LIMITED
10.	ISPACE TECHNOLOGIES LTD
11.	GRACE COMPUTER ENTERPRISE LTD
12.	DATA COMMUNICATIONS LTD
13.	VARMA RAMGOOLAM
14.	BRICOMAX LTD
15.	HENGSHAN TECHNOLOGIES LTD
16.	SOMAGS LTEE
17.	SYSTEM-MATICS LTD
18.	PRIYANSH IREPAIR LTD
19.	HAOHAN TECHNOLOGY LTD
20.	MAURITIUS DUTY FREE PARADISE CO. LTD
21.	JEAN FRANCOIS FABRICE CAROLL EMPaigne
22.	PHABLETTE ARENA CO LTD
23.	PAOMA LTD
24.	REDLINE MARKETING LTD
25.	KALIS TECHNOLOGIES LTD
26.	BROLL PROPERTY AND FACILITY MANAGEMENT LTD
27.	HEMANANDSINGH GAYARAM
28.	SM@RTVISION CO LTD
29.	BHOTECH INFORMATICS LTD
30.	EO SOLUTIONS LTD
31.	ED ELECTRONICS LIMITED
32.	ANGELAY NARAYANEN RENGEM
33.	COMPTOIR OUEST OI LTEE
34.	KRISH ANAND SINGH GOPAUL
35.	JACEY COMPUTER SYSTEM LTD
36.	AGILEUM LTD
37.	SECURE DITS CO LTD
38.	NEMORIN ELECTRONICS LTD



Financial Statements



**REPORT OF THE
DIRECTOR OF AUDIT**

**On the Financial Statements
of the Information and Communication Technologies Authority
for the 18-month period ended 30 June 2017**

NATIONAL AUDIT OFFICE



NATIONAL AUDIT OFFICE

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

Report on the Audit of Financial Statements

Qualified Opinion

I have audited the financial statements of the Information and Communication Technologies Authority, which comprise the statement of financial position as at 30 June 2017, and the statement of financial performance, cash flow statement, statement of changes in net assets/equity for the 18-month period then ended, and notes to the financial statements, including a summary of significant accounting policies.


In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements give a true and fair view of the financial position of the Information and Communication Technologies Authority as at 30 June 2017, and of its financial performance and its cash flows for the 18-month period then ended in accordance with International Public Sector Accounting Standards.

Basis for Qualified Opinion

Non-submission of Board Minutes

Minutes of board meetings for the period January 2016 to February 2017 were not submitted for examination. This has therefore limited the scope of my audit work.

I conducted my audit in accordance with International Standards for Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Information and Communication Technologies Authority in accordance with the INTOSAI Code of Ethics together with the ethical requirements that are relevant to my audit of the financial statements in Mauritius, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.



Emphasis of Matter

Without qualifying my opinion, I draw attention to the following matter:

Contingent Liabilities

No confirmation of any pending litigation, claim, judgments, settlements, or any transactions or charges that could affect the accounts as of 30 June 2017 has been obtained from the Legal Advisers of the Authority.

Key Audit Matters

Key Audit Matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. Except for the matter described in the Basis for Qualified Opinion section, I have determined that there are no key audit matters to communicate in my report.

Other Information

Management is responsible for the other information. The other information comprises the information in the annual report of the Information and Communication Technologies Authority for the 18-month period ended 30 June 2017, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting 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.

In preparing the financial statements, management is responsible for assessing the Information and Communication Technologies Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends to cease operations, or has no realistic alternative but to do so.


Those charged with governance are responsible for overseeing the Information and Communication Technologies Authority's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Information and Communication Technologies Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Information and Communication Technologies Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Information and Communication Technologies Authority to cease to continue as a going concern.

- 
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or, when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Management's Responsibility for Compliance

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. This responsibility includes performing procedures to obtain audit evidence about whether the Information and Communication Technologies Authority's expenditure and income have been applied to the purposes intended by those charged with governance. Such procedures include the assessment of the risks of material non-compliance.

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

Opinion on compliance

Statutory Bodies (Accounts and Audit) Act

The Annual Report for the 18-month period ended 30 June 2017 was submitted to the National Audit Office (NAO) on 23 March 2018, that is more than four months after the statutory date limit. Following examination of the financial statements, various amendments were required. The amended Annual Report was submitted to the NAO on 24 September 2019.

I have obtained all information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit.

In my opinion, except for the late submission of the Annual Report, 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.

Public Procurement Act

The Information and Communication Technologies Authority is responsible for the planning and conduct of its procurement. It is also responsible for defining and choosing the appropriate method of procurement and contract type in accordance with the provisions of the Act and relevant Regulations. My responsibility is to report on whether the provisions of Part V of the Act regarding the Bidding Process have been complied with.

In my opinion, the provisions of Part V of the Act have been complied with as far as it appears from my examination of the relevant records.



C. ROMOOAH
Director of Audit

National Audit Office
Level 14,
Air Mauritius Centre
PORT LOUIS

17 October 2019

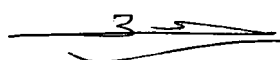
STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2017

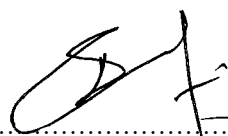
	Note	18 months ended 30 June 2017 Rs	12 months ended 31 Dec 2015 Rs
ASSETS			
Current assets			
Cash and bank balances			
General Fund	15a	241,956,624	340,297,036
Universal Service Fund	15b	586,997,149	536,678,494
Trade receivables			
General Fund	13a	8,790,081	6,036,240
Universal Service Fund	13b	273,493,998	208,294,096
Other receivables	14	4,207,411	3,223,617
		<u>1,115,445,263</u>	<u>1,094,529,483</u>
Non-current assets			
Other receivables	14	2,773,622	1,297,745
Plant and equipment	11	9,278,519	13,236,353
		<u>12,052,141</u>	<u>14,534,098</u>
TOTAL ASSETS		1,127,497,404	1,109,063,581
LIABILITIES			
Current Liabilities			
Creditors and payables	20	24,985,716	56,944,497
Short term employee benefits	19	5,664,729	4,562,010
		<u>30,650,445</u>	<u>61,506,507</u>
Non-current liabilities			
Retirement benefit obligations	18	2,643,868	3,227,901
Long term employee benefits	19	11,640,929	12,882,505
		<u>14,284,797</u>	<u>16,110,406</u>
TOTAL LIABILITIES		44,935,242	77,616,913
NET ASSETS		1,082,562,162	1,031,446,668
NET ASSETS/EQUITY			
Capital & Reserve			
Equity			
General Fund		209,058,519	276,946,788
Universal Service Fund		860,488,672	744,547,688
Revaluation Reserves	17	13,014,971	9,952,192
		<u>1,082,562,162</u>	<u>1,031,446,668</u>

These Financial Statements were approved by the Board of the ICT Authority on 19 September 2019

Signed on their behalf:



Mr M. A. BOCUS
(Chairman)



Mr L. AUJAYEB
(Board Member)

The notes on pages 68 to 87 form an integral part of these financial statements.

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE 18-MONTH PERIOD ENDED 30 JUNE 2017

	Note	18 months ended 30 June 2017 Rs	12 months ended 31 Dec 2015 Rs
Revenue			
General Fund	21a	313,017,378	204,695,892
Universal Service Fund	21b	149,958,417	136,092,510
Other income			
General Fund	22	3,767,720	3,430,979
Universal Service Fund			1,121,074
		466,743,515	345,340,455
Administrative expenses	23	(151,802,285)	(103,975,291)
Other expenses	24	(126,167,439)	(88,255,345)
Net Surplus before transfer to Consolidated Fund		188,773,791	153,109,819
Transfer to Consolidated Fund	16	(150,000,000)	(40,000,000)
NET SURPLUS		38,773,791	113,109,819
Attributable to :			
General Fund		(73,116,851)	21,329,546
Universal Service Fund		111,890,642	91,780,273

The notes on pages 68 to 87 form an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE 18-MONTH PERIOD ENDED 30 JUNE 2017

	General Fund			Universal Service Fund
	Accumulated Surpluses Rs	Revaluation Reserve Rs	Total net assets/equity Rs	Accumulated Surpluses (Restated) Rs
Balance as at 1 January 2015	250,773,960	8,730,153	259,504,113	656,953,891
Assets written off	656,805	(656,805)	-	-
Prior year adjustment	4,186,477	-	4,186,477	(4,186,476)
Surplus	21,329,546	-	21,329,546	91,780,273
Revaluation Reserve (31.12.15)	-	1,878,844	1,878,844	-
Balance as at 31 December 2015	276,946,788	9,952,192	286,898,980	744,547,688
Prior year adjustment (Note 29)	-	-	-	4,050,342
Prior year adjustment (Note 30)	5,228,582	-	5,228,582	-
Surplus	(73,116,851)	-	(73,116,851)	111,890,642
Revaluation Reserve	-	3,062,779	3,062,779	-
Balance as at 30 June 2017	209,058,519	13,014,971	222,073,490	860,488,672

The notes on pages 68 to 87 form an integral part of these financial statements.

CASH FLOW STATEMENT

FOR THE 18-MONTH PERIOD ENDED 30 JUNE 2017

	18 months ended 30 June 2017 Rs	12 months ended 31 Dec 2015 Rs
CASH FLOW FROM OPERATING ACTIVITIES		
<i>Surplus for the year</i>		
- General Fund	76,883,149	61,329,546
- Universal Service Fund	111,890,642	91,780,273
Non Cash Movements		
- General Fund RENT	5,228,582	
- Universal Service Fund Op.MTML	4,050,342	
Depreciation	8,860,321	9,939,792
(Gain)/Loss on sale of PPE	(3,170,500)	
(Profit)/Loss on disposal	103,513	106,927
(Decrease)/Increase in retirement benefit obligations	(584,034)	1,753,967
(Increase)/Decrease in trade receivables		
- General Fund	(2,753,840)	2,779,905
- Universal Service Fund	(65,199,902)	(49,074,348)
(Increase)/Decrease in other receivables	(2,459,671)	13,080,861
(Decrease)/Increase in employee benefits	(138,857)	1,236,282
(Decrease)/Increase in creditors & payables		
- General Fund	(31,536,354)	(4,416,766)
- Universal Service Fund	(422,427)	68,242
Net Cash flows from operating activities	100,750,964	128,584,681
INVESTING ACTIVITIES		
Purchase of plant & equipment	(1,943,221)	(429,698)
Proceed from Disposal of Plant and Equipment	3,170,500	-
Held-to-maturity Investments	-	215,000,000
FINANCING ACTIVITIES		
Transfer to consolidated fund	(150,000,000)	(40,000,000)
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(48,021,757)	303,154,983
CASH AND CASH EQUIVALENTS AT 1 JANUARY 2016	876,975,530	573,820,547
CASH AND CASH EQUIVALENTS AT 30 JUNE 2017	828,953,773	876,975,530
General Fund	241,956,624	340,297,036
Universal Service Fund	586,997,149	536,678,494

The notes on pages 68 to 87 form an integral part of these financial statements.

NOTES TO THE CASH FLOW STATEMENT

FOR THE 18-MONTH PERIOD ENDED 30 JUNE 2017

a) Cash and Cash Equivalents

Cash and Cash Equivalents consist of cash in hand and balances with banks. Cash and cash equivalents included in the cash flow statement comprise the following amounts:

	18 months ended 30 June 2017 Rs	12 Months ended 31 Dec 2015 Rs
Cash at Bank – General Fund	230,837,086	329,224,306
Cash at Bank - Fraud Tracking Account	10,784,352	10,784,352
Cash at Bank – PKI	320,602	257,916
Cash in Hand	14,584	11,012
	241,956,624	340,277,586
Cash at Bank – Universal Service Fund	586,997,149	536,678,494
TOTAL	828,953,773	876,956,080

b) Plant and Equipment

During the year, the Authority acquired plant and equipment with an aggregate cost of Rs 1,943,221. Cash payments were made to purchase plant and equipment.

The notes on pages 68 to 87 form an integral part of these financial statements.

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

FOR THE 18-MONTH PERIOD ENDED 30 JUNE 2017

	Budgeted Amounts year ended 30.06.2017 (18 Mths) Rs	Actual Amounts on Comparable Basis Rs	Variance Final/ Actual Rs
INCOME			
Revenue from Licence Fees	277,515,000	313,036,828	35,521,828
Other Income	300,000	3,767,720	3,467,720
TOTAL	277,815,000	316,804,548	38,989,548
EXPENDITURE			
Staff costs	110,645,000	87,877,452	22,767,548
Board and sub committees allowances	5,142,000	5,057,100	84,900
Printing, Postage & Stationery	1,125,000	907,664	217,336
Incidentals and office expenses	1,000,000	1,056,289	(56,289)
Motor Vehicle Running Expenses	1,500,000	697,701	802,299
Rent, Rates & Licences	11,250,000	4,195,630	7,054,370
Professional fees	6,000,000	24,353,412	(18,353,412)
Insurance	1,050,000	807,890	242,110
Repairs & Maintenance	2,250,000	5,347,921	(3,097,921)
Cost of Utilities	3,500,000	3,142,911	357,089
Press advertisements	1,425,000	1,287,877	137,123
Technical library and publications	300,000	46,739	253,261
Training and workshops	1,500,000	832,523	667,477
Provision for doubtful debt		2,231,705	(2,231,705)
Loss on disposal/Scrapped		103,513	(103,513)
Depreciation		8,860,321	(8,860,321)
	146,687,000	146,806,648	(119,648)
Contribution to International Organisation	12,800,000	9,712,222	3,087,778
Overseas Mission	3,900,000	781,302	3,118,698
Donation	800,000	393,342	406,658
Conference	2,000,000	-	2,000,000
Consultancy costs	8,000,000	3,094,600	4,905,400
Project Recurrent Costs			
Dot.mu	500,000		500,000
PKI	1,500,000		1,500,000
Community Empowerment Programme	45,000,000	43,928,212	1,071,788
Consumer Outreach	500,000		500,000
Number Portability	2,000,000		2,000,000
Internet content filtering project	3,700,000	819,533	2,880,467
Lotus Notes Licences	300,000		300,000
Disaster Management	1,000,000		1,000,000
ALARA (Radiation)	1,000,000		1,000,000
E-Licensing Framework	500,000		500,000
DTT		(82,120)	82,120
USF			
Incidentals and office expenses	3,000		3,000
Project Recurrent Cost	62,102,000	32,131,102	29,970,898
	145,605,000	90,778,193	54,826,807
	292,292,000	237,584,841	54,707,159

Note : Please see note 27 for explanation on Variances.

The notes on pages 68 to 87 form an integral part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE 18-MONTH PERIOD ENDED 30 JUNE 2017 (cont'd)

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. STANDARD ADOPTED

In accordance with amendments brought to the Statutory Bodies (Accounts and Audit) Act by the Finance (Miscellaneous Provisions) Act No. 10 of 2010 the Financial Statements have been prepared in compliance with the International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector which is as Board of the International Federation of Accountants Committee (IFAC).

Where an IPSAS does not address a particular issue, the appropriate International Financial Reporting Standards (IFRSs) and international Accounting Standards (IASs) of the International Accounting Standards Board (IASB) are applied.

3. REPORTING PERIOD

The financial statements for the current period have been prepared for the 18 months ended 30 June 2017 with comparative information for the 12 months ended 31 December 2015.

4. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on a going concern basis and the accounting policies have been consistently applied throughout the period.

5. ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimation involves judgments based on the latest available, reliable information and may need revision if changes occur in the circumstances on which the estimates were based or as a result of new information.

A change in an accounting estimate is recognized in the period of change if the change affects the period only or the period of change and future periods, if the change affects both. To the extent that a change gives rise to assets and liabilities or relates to an item of net assets/equity, it is recognized by adjusting the carrying amount of the related asset, liability, or net assets/equity in the period of the change.

6. MEASUREMENT BASE

In preparing the financial statements, the Authority has adopted the accounting principles recognized as appropriate for the measurement and reporting of the financial position, financial performance, and cash flows on an accrual basis.

7. STANDARDS ISSUED BUT NOT YET EFFECTIVE

At the date of authorisation of the financial statements, the following IPSAS were issued but not yet effective.

IPSAS 39 - Employee Benefits
(Effective January 2018)

IPSAS 40 - Public Sector Combinations
(Effective January 2019)

8. STATEMENT OF FINANCIAL PERFORMANCE AND CASH FLOW STATEMENTS

The statement of financial performance classifies expenses on the basis of their nature.
The cash flow statement has been prepared using the indirect method.

9. SIGNIFICANT ACCOUNTING POLICIES

(a) **Revenue Recognition**

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

(b) **Expenditure**

All expenses have been accounted on accrual basis.

(c) **Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost less accumulated depreciation. However, computer equipment, office equipment and technical equipment have been revalued by management based upon their fair value.

- (i) Depreciation is calculated to write off the cost of property, 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: -

Item	(%)
Furniture & Fittings	10
Office Equipment	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.
- (iv) Property, Plant and Equipment items costing less than Rs 5,000/- will not be capitalised.
- (v) Property, Plant and Equipment are revalued once a year, based on management best estimates. If an asset's carrying amount is increased as a result of a revaluation, the increase is recognised as revaluation surplus in the Statement of Net Assets/Equity. However, the increase shall be recognised in the Statement of Financial Performance to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. If an asset's carrying amount is decreased as a result of a revaluation, the

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 18-MONTH PERIOD ENDED 30 JUNE 2017 (cont'd)

decrease shall be recognised in the Statement of Financial Performance. However, the decrease shall be recognised in the Statement of Financial Performance to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

(d) 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.

(e) 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.

(f) 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 fair value of the plan asset at that date.

(g) 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.

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.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE 18-MONTH PERIOD ENDED 30 JUNE 2017 (cont'd)

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.

(h) 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.

(i) 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.

10. 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 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.

11. PROPERTY, PLANT AND EQUIPMENT

	Furniture & Fittings Rs	Office Equipment Rs	Computer Equipment & Software Rs	Motor Vehicles Rs	Technical Equipment Rs	TOTAL Rs
COST						
Balance as at 1 Jan 2016	4,019,091	1,354,024	14,228,520	23,958,700	8,232,181	51,792,516
Additions	266,821	112,179	1,564,221	-	-	1,943,221
Revaluation	184,836	154,058	2,652,621	-	71,264	3,062,779
Original Cost of Assets Revalued	(616,119)	(462,175)	(7,957,863)	-	(118,774)	(9,154,931)
Disposal/Scrapped	(10,159)	(60,563)	(166,773)	(13,533,000)	(11,040)	(13,781,535)
Balance as at 31 June 2017	3,844,470	1,097,523	10,320,726	10,425,700	8,173,631	33,862,050
DEPRECIATION						
Balance as at 1 Jan 2016	2,146,351	718,402	11,244,435	19,424,600	5,022,375	38,556,163
Charge for the period	522,733	418,659	3,209,165	2,809,620	1,900,144	8,860,321
Accumulated depreciation of Assets Revalued	(616,119)	(462,175)	(7,957,863)		(118,774)	(9,154,931)
Disposal/Scrapped	(6,304)	(32,932)	(94,746)	(13,533,000)	(11,040)	(13,678,022)
Balance as at 30 June 2017	2,046,661	641,954	6,400,991	8,701,220	6,792,705	24,583,531
NBV - 30 June 2017	1,797,809	455,569	3,919,735	1,724,480	1,380,926	9,278,519
NBV - 31 December 2015	1,872,740	635,622	2,984,085	4,534,100	3,209,806	13,236,353

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 18-MONTH PERIOD ENDED 30 JUNE 2017 (cont'd)

12. 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.

13. TRADE RECEIVABLES

13(a). General Fund

Trade Receivables represent licence fees due at period end (30 June 2017: Rs; 8,790,081 31 December 2015: Rs; 6,036,240), and are stated net of provision for impairment of debts.

Movement in allowances for doubtful debts account:

	Rs
Balance as at 1 January 2016	11,063,781
Provision during the period	2,231,704
Balance as at 30 June 2017	<u>13,295,485</u>

13(b). Universal Service Fund (USF)

Trade receivable represents USF contributions due from licensed operators at period end (30 June 2017: Rs: 273,493,998; 31 December 2015: Rs: 208,294,096)

14. OTHER RECEIVABLES

	18 months ended 30 June 2017 Rs	12 Months ended 31 Dec 2015 Rs
Loan to staffs	4,078,664	2,228,970
Prepayments	1,714,710	1,714,710
Expenses Prepaid	1,108,201	-
Amount receivable from CTO	-	577,682
Postal Authority	79,458	-
TOTAL	6,981,033	4,521,362
Receivable within 1 year	4,207,411	3,223,617
Receivable after 1 year	2,773,622	1,297,745
	6,981,033	4,521,362

15. CASH AND BANK BALANCES

	18 months ended 30 June 2017 Rs	12 Months ended 31 Dec 2015 Rs
(a)		
Cash at Bank - General Fund	230,837,086	329,243,756
Cash at Bank - Fraud Tracking Account	10,784,352	10,784,352
Cash at Bank - PKI	320,602	257,916
Cash in Hand	14,584	11,012
Total - General Fund	241,956,624	340,297,036
(b)		
Cash at Bank - Universal Service Fund	586,997,149	536,678,494
TOTAL	828,953,773	876,975,530

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 18-MONTH PERIOD ENDED 30 JUNE 2017 (cont'd)

16. TRANSFER TO CONSOLIDATED FUND

The Authority contributes a sum to the Consolidated Fund (*formerly 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. An amount of Rs 150,000,000 (2015: Rs 40,000,000) has been earmarked and transferred into the Consolidated Fund.

The transfer of Rs 150,000,000 has been treated as a movement (decrease) in the Statement of Financial Performance.

17. 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
30.06.2017	Furniture & Fittings	184,836
30.06.2017	Office Equipment	154,058
30.06.2017	Computer Equipment	2,652,621
30.06.2017	Technical Equipment	71,264
Amount recognised in revaluation reserve		<u>3,062,779</u>

The total amount of revaluation reserve as at 30 June 2017 amounted to Rs 13,014,971/-.

Basis of Revaluation

No independent valuer was involved. Furniture & Fittings, Office Equipment, Computer Equipment and Technical Equipment were 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.

18. RETIREMENT BENEFIT OBLIGATIONS

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.

	18 months ended 30 June 2017	12 months ended 31 Dec 2015
Amounts recognised in statement of financial position at end of year:	Rs	Rs
Present value of funded obligation	63,412,279	56,243,252
(Fair value of plan assets)	(46,481,386)	(39,083,830)
	16,930,893	17,159,422
Present value of unfunded obligation	2,736,015	2,547,316
Unrecognised actuarial gain/(loss)	(17,023,040)	(16,478,836)
Liability recognised in statement of financial position at end of period	2,643,868	3,227,902
Amounts recognised in statement of financial Performance:		
Current service cost	5,537,680	3,751,920
(Employee Contributions)	(3,260,094)	(1,565,385)
Fund expenses	163,005	78,269
Interest cost	5,732,080	4,585,005
(Expected return on plan assets)	(4,007,421)	(2,798,186)
Actuarial loss recognised	493,387	772,920
Total, included in staff costs	4,658,637	4,323,949
Movements in liability recognised in statement of financial position:		
At start of year	3,227,902	1,473,935
Total staff cost as above	4,658,637	4,323,949
(ICTA share of Pension)	(4,890,148)	(2,348,078)
(Contributions paid by employer)	(352,523)	(221,904)
At end of year	2,643,868	3,227,902
Actual return on plan assets:	3,361,711	483,504
Main actuarial assumptions at end of year:		
Discount rate	6.50%	7.50%
Expected rate of return on plan assets	6.50%	7.50%
Future salary increases	4.00%	5.00%
Future pension increases	3.00%	3.00%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 18-MONTH PERIOD ENDED 30 JUNE 2017 (cont'd)

	18 months ended 30 June 2017	12 months ended 31 Dec 2015
Reconciliation of the present value of defined benefit obligation	Rs	Rs
Present value of obligation at start of period	58,790,568	61,133,399
Current service cost	5,537,680	3,251,327
Interest cost	5,732,080	4,585,005
(Benefits paid)	(4,303,914)	(1,470,968)
Liability (gain)/loss	391,880	(8,708,195)
Present value of obligation at end of period	66,148,294	58,790,568
Reconciliation of fair value of plan assets		
Fair value of plan assets at start of period	39,083,830	36,016,077
Expected return on plan assets	4,007,421	2,798,186
Employer contributions	4,890,148	2,348,078
Employee contributions	3,260,094	1,565,385
(Benefits paid + other outgoings)	(4,114,396)	(1,327,333)
Asset gain/(loss)	(645,711)	(2,316,564)
Fair value of plan assets at end of period	46,481,386	39,083,830
Distribution of plan assets at end of period		
<i>Percentage of assets at end of year</i>		
Government securities and cash	56.60%	58.10%
Loans	4.40%	4.30%
Local equities	15.80%	15.90%
Overseas bonds and equities	22.60%	21.00%
Property	0.60%	0.70%
Total	100.00%	100.00%

Additional disclosure on assets issued or used by the reporting entity

Percentage of assets at end of year	(%)	(%)
Assets held in the entity's own financial instruments	0	0
Property occupied by the entity	0	0
Other assets used by the entity	0	0

History of obligations, assets and experience adjustments

Year	18 months ended 30 June 2017 Rs	12 months ended 31 Dec 2015 Rs
Currency		
Fair value of plan assets	46,481,386	39,083,830
(Present value of defined benefit obligation)	(63,412,279)	(58,790,568)
Surplus/(deficit)	(16,930,893)	(19,706,738)
Asset experience gain/(loss) during the period	(645,711)	(2,316,564)
Liability experience gain/(loss) during the period	(391,880)	8,708,195

Year	2017/18 Rs
Expected employer contributions	2,858,681

19. EMPLOYEE BENEFITS

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

	18 months ended 30 June 2017 Rs	12 months ended 31 Dec 2015 Rs
Balance at start of year	17,444,515	16,208,232
Amount accrued during the year	(138,857)	1,236,283
Balance at end of year	17,305,658	17,444,515
Payable within 1 year	5,664,729	4,562,010
Payable after 1 year	11,640,929	12,882,505
Total	17,305,658	17,444,515

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 18-MONTH PERIOD ENDED 30 JUNE 2017 (cont'd)

20. CREDITORS AND PAYABLES

	18 months ended 30 June 2017 Rs	12 months ended 31 Dec 2015 Rs
General Fund	10,452,685	9,025,466
Universal Service Fund	2,475	424,902
Expenses Accrued	14,530,556	47,494,129
TOTAL	24,985,716	56,944,497

21. REVENUE

Revenue comprises two sources of income as detailed hereunder:

(a) Income credited into the General Fund represents licence fees receivable from operators licensed by the Authority on an accrual basis. (2016-2017: Rs 313,017,378; 2015: Rs 204,695,892)

(b) Income credited into the Universal Service Fund represents contributions receivable from operators who are holders of International Long Distance Licence and/or Public Land Mobile Network (mobile) Licence. (2016- 2017: Rs 149,958,417; 2015: Rs 136,092,510)

22. OTHER INCOME

	18 months ended 30 June 2017 Rs	12 months ended 31 Dec 2015 Rs
General Fund		
Bank interest		2,442,856
Interest on Loan to staffs	238,534	194,367
Income from Fraud Tracking	-	567,501
Income from PKI	62,686	56,255
Sundry Income	296,000	170,000
Receipt from sale of laminated floor	30,000	-
Receipt from sale of cars	3,140,500	-
	3,767,720	3,430,979
Universal Service Fund		
Bank interest		1,121,074
TOTAL	3,767,720	4,552,053

23. ADMINISTRATIVE EXPENSES

	18 months ended 30 June 2017 Rs	12 months ended 31 Dec 2015 Rs
General Fund		
Staff Costs	87,877,452	64,667,590
Fees to Chairman and Board Members	5,057,100	2,499,290
Rent	9,420,344	7,389,785
Electricity	2,156,703	1,639,456
Telephone	847,562	1,065,320
Printing, Stationery and Correspondences	907,664	742,115
Incidentals and Office Expenses	984,560	668,125
Motor Vehicle Running Expenses	697,700	704,774
Loss on Disposal	103,513	106,927
Provision for doubtful debts	2,231,705	4,094,543
Maintenance of Equipment & Software	5,172,720	3,865,002
Technical Library and Publications	46,739	44,504
Press Advertisements	1,287,877	500,351
Insurance	807,890	712,321
Training & Workshops	706,953	161,105
Professional Fees	24,353,412	5,173,141
Depreciation	8,860,321	9,939,792
	151,520,215	103,974,141
Universal Service Fund		
Incidentals and Office Expenses	2,070	1,150
Professional Fees	280,000	-
	151,802,285	103,975,291

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 18-MONTH PERIOD ENDED 30 JUNE 2017 (cont'd)

24. OTHER EXPENSES

General Fund

	18 months ended 30 June 2017 Rs	12 months ended 31 Dec 2015 Rs
Contribution to International Organizations	8,850,658	5,402,739
Consultancy	1,842,854	1,431,746
Overseas Mission	763,012	2,330,218
Donation	393,341	103,990
Project Recurrent Costs	76,531,869	33,554,492
Conference	-	-
	88,381,734	42,823,185

Universal Service Fund

Project Recurrent Costs	37,785,705	45,432,160
	126,167,439	88,255,345

25. RELATED PARTY TRANSACTIONS

25.1 Remuneration to management

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

	18 months ended 30 June 2017 Rs	12 months ended 31 Dec 2015 Rs
Allowances paid to Chairman and Board Members	5,057,100	2,499,290
Directors	9,020,496	11,787,416
	14,077,596	14,286,706

25.2 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 4% per annum. The above also include educational loans to staff members refundable in 60 equal monthly instalments with annual interest rate of 5%.

	18 months ended 30 June 2017 Rs	12 months ended 31 Dec 2015 Rs
Opening Balance of loan: -		
Receivable within 1 year	931,225	1,337,309
Receivable after 1 year	1,297,745	1,833,138
Loans granted during the year	3,313,500	400,000
Loan Installments Received	(1,463,806)	(1,341,477)
Closing Balance	4,078,664	2,228,970
Receivable within 1 year	1,305,042	931,225
Receivable after 1 year	2,773,622	1,297,745
	4,078,664	2,228,970

25.3 Board Members

The members of the ICT Authority shall be deemed to be and constitute the members of the Postal Authority in accordance with Section 4(2) of the Postal Services Act 2002.

26. FINANCIAL SUMMARY

GENERAL FUND	Jan 12 - Dec 12 (Restated)	Jan 13 - Dec 13	Jan 14 - Dec 14	Jan 15 - Dec 15	Jan 16 - Jun 17
	Rs	Rs	Rs	Rs	Rs
Revenue	296,189,545	157,646,696	180,571,537	204,695,892	313,017,378
Surplus	187,782,020	6,743,319	54,863,513	61,329,546	76,883,149
Equity	714,267,551	235,910,447	250,773,960	276,946,788	209,058,519
Transfer to Consolidated Fund	(40,000,000)	(40,000,000)	(40,000,000)	(40,000,000)	(150,000,000)

UNIVERSAL SERVICE FUND	Jan 15 - Dec 15 Rs	Jan 16 - Jun 17 Rs
Revenue	136,092,510	149,958,417
Surplus	91,780,273	111,890,642
Equity	744,547,688	860,488,672

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 18-MONTH PERIOD ENDED 30 JUNE 2017 (cont'd)

27. BUDGET NOTES

ICT Authority presents its budget and the financial statements on accrual basis. The approved budget covers the fiscal period from 1 January 2015 to 31 December 2015. The budget was approved by the ICTA Board. The major variances are explained as follows:

Variance between final budget and actual

1. Licence Fees:

Additional spectrum licences and other licences were issued during the year which explains higher revenue from licence fees.

2. Other Income:

7 cars were sold during the year which explained the increase in other income.

3. Salaries and allowances:

Arrears for PRB 2016 which were supposed to be disbursed by end of June 2017 were not paid as that date.

4. Board and sub-committees' allowances:

Some Board members resigned during the year.

5. Printing, Postage and Stationery

There has been a slight decrease of around 20%.

6. Incidentals and Office Expenses

Increase in bank charges for services rendered.

7. Motor vehicles Running Expenses:

This is explained by the decrease in the number of cars during the year.

8. Rent and rates:

The contract for the rent for ICTA expired in October 2015. New rates has been negotiated for 10th 11th 12th and 2nd floor. An independent valuer was appointed and as per his valuation CSK had charged ICTA more than 5 million in excess as per the contract. The rent was revalued and the excess amount was offset up to November 2016.

9. Professional fees:

Due to an increase in the number of court cases.

10. Insurance

A fleet of vehicles were sold during the year.

11. Repairs and maintenance

Renewal of contract for online filtering project and maintenance of monitoring of engineering equipment.

12. Cost of Utilities

The telephone bill for the three directors who were suspended are no more payable by the authority and electricity bill has also reduced due to a reduction in the number of staffs.

13. Press Advertisements

Less press notice was issued.

14. Technical Library

Lesser new books and publications have been purchased.

15. Training and workshops

Less training has been carried out.

16. Provision for Doubtful Debt

Licence fees due for more than 3 years has been earmarked as irrecoverable and provision has been for write off.

17. Contribution to International Organisations

Membership contribution to international organisations like CTO and CRASA is still due.

18. Overseas Mission

The Authority could not participate in a number of projected missions due to various reasons.

19. Donation

Lesser amounts were donated / sponsored.

20. Conference

Conference planned during the year could not be held.

21. Consultancy Costs

Only one Consultant was appointed during the period.

22. Project Recurrent Costs

The actual amount is lower than budgeted due to the fact that some projects were postponed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 18-MONTH PERIOD ENDED 30 JUNE 2017 (cont'd)

28. CONTINGENT LIABILITIES

There are 9 legal suits which have been lodged against the ICTA. These legal suits account for a total contingent liability of Rs 411,825,000.

	Rs (nearest 000's)
ENTEL v/s ICTA (Fraud Tracking) (USD 4,650,000)	167,400,000
OOLUN v/s ICTA	29,000,000
SOYJAUDAH v/s ICTA	14,000,000
LOUIS v/s ICTA	8,000,000
PAPAYA NAIDOO v/s ICTA	1,000,000
P. NATHOO v/s ICTA	150,000
SERVANSINGH v/s ICTA	475,000
Emtel v/s ICTA (Fraud Tracking)	9,000,000
LSS V/S ICTA & IBA	182,800,000
TOTAL	411,825,000

In addition to the above cases, the Supreme Court has delivered judgement against the Authority in the case Emtel v/s ICTA and Others. The Authority has lodged an appeal against the afore-mentioned judgement. The damage ordered in the judgement amounts to Rs 554,139,900 million excluding interest and legal costs, involving 3 potentially liable parties namely the ICTA, Mauritius Telecom Ltd and Cellplus Mobile Communications Ltd.

In view of the fact that the appeal lodged against the judgement has been accepted, the damage has not been accrued in the financial statements. The present note is being presented for disclosure purpose in view of the recent judgement and the materiality of the amount involved.

29. USF PRIOR YEAR ADJUSTMENT

Opening debtors of Rs 4,050,342 for MTML was omitted and has been shown as prior year adjustment.

30. RENT PRIOR YEAR ADJUSTMENT

The excess amount of Rs 5,228,582 in respect of rent for Level 10-12, Level 2 & Mezzanine at the CSK Building was adjusted in this financial period.

31. CURRENCY

All figures are shown to the nearest Mauritian Rupee.

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Information and Communication Technologies Authority

Level 12 The Celicourt
6 Sir Celicourt Antelme Street
Port Louis Mauritius
T: (+230) 211 5333/4
F: (+230) 211 9444
E: icta@intnet.mu
W: www.icta.mu