



# **Addendum to Market Information Reporting Requirements for Specified Licensees in the Electronic Communications Sector ("ECS 28/2017")**

## **Consultation Document**

**ECS: 16/2020**

**ISSUE DATE: 20 November 2020**

**RESPONSE DATE: 21 December 2020**

## Table of Contents

1.	Introduction	2
1.1	Legal Framework	2
1.2	How to Respond to Consultation	3
1.3	Remainder of Document	3
2.	Details on Additional Data Requirements	3
2.1	URCA's Rationale for Requiring Additional Data	4
2.2	Identification of Additional Market Data	5
2.3	Proposed Timeframe for Collection and Publication of Additional Market Data	6
2.4	Publication & Confidentiality	6
	Annex	0

# 1. Introduction

The Utilities Regulation and Competition Authority ("URCA") issues this consultation document on the proposed addendum to the *Market Information Reporting Requirements for Specified Licensees in the Electronic Communications Sector* (ECS 28/2017)<sup>1</sup> issued on 20 December 2017. The term "specified licensees" refers to holders of Individual Operating Licences (IOLs) and Class Operating Licences Requiring Registration (COLRRs). This include specified licensees providing fixed internet, pay-TV services (including cable television), fixed telephony, mobile voice and mobile data and business connectivity services to residential and business customers in The Bahamas. However, the proposed measures are not applicable to holders of Class Operating Licences Not Requiring Registration (COLNRR) because such licensees only provide telecommunications services for their own use and not for commercial gain; and do not require interconnection to a public network.

In accordance with ECS 28/2017, licensees are required to, *inter alia*, collect and report market data on a broad range of electronic communications services, collect and report market data on a granular/disaggregated level, and submit the reports to URCA in respect of the data collected on a quarterly and annual basis. Subsequently, in its Annual Report 2019 and Annual Plan 2020, URCA identified the need for more appropriate and meaningful methods of measuring its performance. To that end, URCA initiated the URCA Organizational Performance Indicator (OPI) Development Project and has developed a set of organisational performance indicators ("OPIs") intended to ensure that the regulatory work that it undertakes is more effective, relevant, timely and impactful when addressing industry needs, consumer preferences and government policy objectives. In order to satisfy the OPIs, the organisation would need to use a blend of current and additional market information, amongst other information. Therefore, the purpose of this addendum is to require licensees in the ECS to provide additional data needed to implement URCA's OPIs. If needed, URCA will consult separately on OPIs for the ES.

In this public consultation document, URCA:

- outlines the rationale for collecting and reporting of additional market data from licensees in the ECS; and
- invites feedback from the affected licensees and other interested parties regarding the rationale for collecting and reporting additional market data based on URCA's proposals.

## 1.1 Legal Framework

URCA is tasked under the Communications Act, 2009 ("Comms Act") to carry out various duties and functions as the regulator of the Bahamian electronic communications and electricity sectors. URCA, therefore, requires different information to support its role. The Comms Act prescribes the statutory framework for regulation and competition in the sector and charges URCA with the responsibility for

---

<sup>1</sup> ECS 28/2017 can be found at <https://www.urbahamas.bs/wp-content/uploads/2017/12/ECS-282017-Market-Information-Reporting-Requirements.pdf>.

implementing the Electronic Communications Sector Policy (ECSP), amongst other things. Section 4 of the Comms Act provides that electronic communications perform an essential role in promoting the economic and social welfare of The Bahamas and sets out the objectives of the ECSP. Therefore, URCA has developed a framework that will help to measure and ensure that the organisation's strategy and planning activities are aimed at improving its regulatory impact and furthering the ECS policy objectives.

Under section 8 of the Comms Act, URCA is empowered to:

- issue directions, decisions, statements, instructions and notifications;
- require any licensee or licensees to furnish such information and submit such returns in relation to its operations at such intervals as it may require; and
- conduct market investigations and market reviews and publish regular information and reports.

Pursuant to Condition 5.1.2 of the Individual Operating Licence (IOL), URCA may specify the framework as it relates to the procedures and guidelines for an IOL to furnish such information and to submit such returns in relations to their operations and at such intervals, as URCA may require. Further, URCA considers Section 41(3)(b) of the URCA Act 2009 which states that the annual plan should include a detailed report of URCA's performance against the key performance indicators published in the previous year's annual plan.

## **1.2 How to Respond to Consultation**

URCA invites written responses on this proposed addendum to ECS 28/2017 from Specified Licensees, i.e., by 5:00 p.m. on or before Monday 21 December 2020. Respondents may submit written comments and submissions to URCA either:

- i. by hand to the Chief Executive Officer, Utilities Regulation and Competition Authority, Frederick House, Frederick Street, Nassau, Bahamas; or
- ii. by email to [info@urcabahamas.bs](mailto:info@urcabahamas.bs); or
- iii. by mail to P.O. Box N-4860, Nassau, Bahamas; or
- iv. by facsimile to (242) 393-0237.

## **1.3 Remainder of Document**

The remainder of the document is set out as follows:

- Section 2 provides details on the additional market data requirements; and
- the Annex contains URCA's proposed KPIs.

## **2. Details on Additional Data Requirements**

In this section, URCA's provides the rationale for imposing additional market data requirements, explains how the additional data requirement was determined and proposes timelines for the data collection and publication.

## 2.1 URCA's Rationale for Requiring Additional Data

Currently, URCA is unable to measure whether it has achieved greater efficiency through its decision-making process for specific regulatory decisions within the ECS. The proposed OPI framework avails URCA with a mechanism for measuring organisational performance by evaluating ex-post outcomes and the way it addresses strategic and annual planning activities. In developing the OPI framework, URCA realised that the most effective way to measure performance against its strategic imperatives is to perform ex-post evaluations on its regulatory work (on a per decision basis). The ex-post evaluations require URCA to collect and analyse available data when the decision comes into force, evaluate if the objectives were achieved and if not, identify any gaps. URCA will use current market data that it collects through ECS 28/2017 along with additional market data to support the ex-post evaluation of previous regulatory actions.

URCA has formulated an organisational performance strategy aimed at furthering the ECS policy objectives having regard for the functions outlined in section 7 of the Comms Act. URCA's organisational strategy highlights four strategic imperatives for improving URCA's work performance:

1. **Impact:** The impact imperative is indicative of URCA's need to ensure it has a strong and positive promotional effect on the interests of the public in terms of choice, quality, price, reliability, efficiency, and value for money. The OPI framework will support this imperative by improving the process to identify more relevant matters from the ECS and measuring the outcome of URCA's interventions by using a breadth of indicators and evidence available to it ex-post.
2. **Stakeholder:** The stakeholder imperative means that URCA's interventions should build the confidence of all stakeholders. Building confidence can be improved when URCA's decisions are complied with, and carry widely-respected weight.
3. **Internal processes:** The internal processes imperative emphasises the need for URCA to function effectively, through oversight and governance and the development of regulatory measures. The OPI framework will measure the effectiveness of internal decision reviews that help critique recent actions that may or may not support internal processes.
4. **Learning and growth:** The learning and growth imperative refers to a focus on building an organisation with employees who are skilled, collaborative, motivated, internationally-aware, internally optimised and possessive of exemplary human and system characteristics.

URCA intends to measure its performance against the four strategic imperatives to determine whether the organisation is promoting the economic and social welfare of The Bahamas through the administration of its functions. Since the strategic imperatives are non-operationalised concepts, URCA recognised that it needs to operationalise the concepts in order to create a meaningful method of measuring the organisation's performance against its strategic imperatives. The outcome of the URCA OPI Development Project was an OPI framework that aims to:

- a. Ensure that URCA's activities reflect an improved version of the organisation's strategy to effectively address industry needs and promote the government policy objectives set out in the Electronic Communications Sector Policy
- b. Implement and review each stage of the regulatory cycle for projects and decisions within the ECS (Ex-post evaluation)

- c. Implement effective external engagement processes that result in greater transparency, value for money, and perception

**Consultation Question 1: Do you agree with URCA's justification to request additional market data? If not, please provide full reasons for your position.**

## **2.2 Identification of Additional Market Data**

The OPI framework seeks to improve URCA's overall development by strengthening organisational and regulatory processes, introducing strategic thinking in areas such as annual planning, and addressing ad-hoc issues and ex-post evaluations. URCA found that in order for the strategy to have a tangible effect and for URCA to be able to conduct more meaningful ex-post evaluations, additional market data would need to be collected from specified ECS licensees. The additional market data would be used to measure a set of key performance indicators (KPIs).

The OPIs will build on the foundation for an evidence-based approach in measuring the impact of URCA's regulatory interventions and measures. Data analytics using financial and non-financial data will play a pivotal role in the implementation of URCA's OPI framework. URCA understands that to measure the impact of its regulatory interventions and measures, URCA must collect relevant data that enables new business opportunities, predicts future trends, and monitors growth and protection of regulated sectors.

URCA developed a new set of key performance indicators (KPIs) to further assess and monitor the following operational areas of Licensees business across markets in the electronic communications sector:

- Take-up (Number of active fixed Internet connections and mobile subscribers by network technologies)
- Service Speeds
- Service Pricing and Affordability
- Quality of service
- Availability of wholesale services for fixed and mobile

**See Annexe for the additional market data.**

The proposed KPIs were developed on the following guiding principles<sup>2</sup>:

- a. URCA's strategic imperatives;
- b. ECS Policy objectives (2020-2023);

---

<sup>2</sup> Direct quote on some guiding principles listed, from source: (Analyses Mason, Cedar Tree Advisory Service, 2019).

- c. synergies with existing data collection activities provided by Specified Licensees for market information gathering<sup>3</sup>;
- d. consistency with other datasets (e.g. ITU); and
- e. the practicability of indicators and data collection for Specified Licensees (reasonable amount of effort).

### **2.3 Proposed Timeframe for Collection and Publication of Additional Market Data**

The relevant timelines outlined in ECS 28/2017 under section 1.2 will apply for the collection of additional market data in request. After this public consultation, URCA expects to issue the first request for the additional market data in early 2021 and would require the Specified Licensees to do the following:

1. Assess the availability of proposed market information for 2019 and 2020; and

Based on availability –

2. Provide additional market data (quarterly and annually) for 2020;
3. Provide additional market data for 2019; and
4. Provide additional market data that is available up to current quarter within the current year of issuance.

### **2.4 Publication & Confidentiality**

To ensure that URCA is effectively using the collection of current and additional market data in the request, URCA proposes to publish the OPIs and associated KPIs. URCA proposes to publish a complete report of the OPIs by the end of 2022. The associated KPIs could be published in an annual market performance report or a sector development report by the end of 2022. However, the KPIs will only be published if they support URCA's standard for transparency and guidance of the sectors. In accordance with section 14 of the Comms Act, URCA will not disclose or otherwise divulge the additional market information of individual operators that are commercially confidential. In common with industry practice, URCA will continue to publish an aggregated representation of the quarterly and annual data of any additional market information.

---

<sup>3</sup> URCA performed a data assessment to ensure practicability of indicators. More information can be found on this in Annexe 1 of this document

## Annexe

**Question 2: Based on your assessment of Table 1 below, is collecting and providing the requested data for each KPI and at the proposed frequency, feasible? If not, please provide full reasons for your position.**

Table 1: The proposed KPIs for the collection of additional data

Market	Proposed KPI	Frequency & Purpose of KPI	Request to Operators	Proposed change to Tables 1 to 5 in Annex 2
<b>Take-up (Number of active subscribers/connections)</b>				
Fixed	Fixed internet subscribers	<b>Quarterly</b> To monitor take-up of different technologies across the islands in the Bahamas and the rate at which service take-up is changing	Please provide a breakdown of active subscribers for each of the following technologies: <ul style="list-style-type: none"> <li>• Cable modem Internet subscriptions</li> <li>• DSL Internet subscriptions</li> <li>• Fibre-to-the-home/building Internet subscriptions</li> <li>• Other fixed broadband subscriptions</li> <li>• Terrestrial fixed wireless broadband subscriptions.</li> </ul>	Table 3 (Non-Financial)
Mobile	Mobile subscribers (voice and/or mobile data and data only)	<b>Quarterly</b> To monitor take-up of different technologies across the islands in the Bahamas and the rate at which service take-up is changing	Please provide a breakdown of active subscribers for each of the following technologies: <ul style="list-style-type: none"> <li>• 2G</li> <li>• 3G</li> <li>• 4G</li> <li>• 5G</li> </ul>	Table 1 (Non-Financial)
<b>Service speeds</b>				



Fixed	Fixed internet speeds at busy hour	<p><b>Annual</b></p> <p>To monitor the speeds being experienced by subscribers on different technologies during peak loading on the network to understand the quality of service being provided to consumers</p>	<p>Please provide the average speed (Mbit/s) experienced by subscribers in the busy-hour (defined as the hour the network experiences peak demand) for each of the following network technologies:</p> <ul style="list-style-type: none"> <li>• Cable modem Internet subscriptions</li> <li>• DSL Internet subscriptions</li> <li>• Fibre-to-the-home/building Internet subscriptions</li> <li>• Other fixed broadband subscriptions</li> <li>• Terrestrial fixed wireless broadband subscriptions.</li> </ul> <p>Please also include your definition of the busy hour and total busy-hour traffic.</p>	Table 5 (Non-Financial)
Mobile	Mobile internet speeds at busy hour	<p><b>Annual</b></p> <p>To monitor the speeds being experienced by subscribers on different technologies during peak loading on the network to understand the quality of service being provided to consumers</p>	<p>Please provide the average speed (Mbit/s) experienced by subscribers in the busy-hour (defined as the hour the network experiences peak demand) for each of the following network technologies:</p> <ul style="list-style-type: none"> <li>• 3G</li> <li>• 4G</li> <li>• 5G.</li> </ul> <p>Please also include your definition of the busy hour and total busy-hour traffic.</p>	Table 5 (Non-Financial)
<b>Service pricing and affordability</b>				

Fixed	Average revenue per user (ARPU) for fixed services	<b>Quarterly</b> To monitor the price of consumer services and long-term trends in pricing	Please provide revenues by the following technologies: <ul style="list-style-type: none"> <li>• Cable modem Internet subscriptions</li> <li>• DSL Internet subscriptions</li> <li>• Fibre-to-the-home/building Internet subscriptions</li> <li>• Other fixed broadband subscriptions</li> <li>• Terrestrial fixed wireless broadband subscriptions.</li> </ul>	Table 3 (Financial)
Fixed	Price per GB of fixed data	<b>Quarterly</b> To monitor the unit cost of data to consumers and long-term trends in pricing	Please provide the total traffic generated by connections (gigabytes) and total subscription revenue for each of the following network technologies: <ul style="list-style-type: none"> <li>• Cable modem Internet subscriptions</li> <li>• DSL Internet subscriptions</li> <li>• Fibre-to-the-home/building Internet subscriptions</li> <li>• Other fixed broadband subscriptions</li> <li>• Terrestrial fixed wireless broadband subscriptions.</li> </ul>	Table 3 (Financial & Non-Financial)
Fixed	Consumers in payment arrears for fixed services	<b>Quarterly</b> To monitor the proportion of consumers having difficulties paying for services, and how this is developing over time	To monitor the proportion of consumers having difficulties paying for services, and how this is developing over time	Table 1-4 (Financial & Non-Financial)

Mobile	Average revenue per user (ARPU) for mobile services	<b>Quarterly</b> To monitor the price of consumer services and long-term trends in pricing for both prepaid and post-paid customers	Please provide revenues by the following technologies: <ul style="list-style-type: none"> <li>• 2G</li> <li>• 3G</li> <li>• 4G</li> <li>• 5G</li> </ul>	Table 1 (Financial)
Mobile	Consumers in payment arrears for mobile services	<b>Quarterly</b> To monitor the proportion of consumers having difficulties paying for services, and how this is developing over time	Please provide the number of active subscribers who are in payment arrears or have been disconnected from your network for failure to pay.	Table 1-4(Financial and Non-Financial)
<b>Quality of service</b>				
Fixed	International internet bandwidth per fixed subscriber (+)	<b>Annual</b> To monitor whether sufficient international bandwidth is being provisioned for fixed subscribers and whether operators are ensuring sufficient capacity continues to be provisioned	Please provide the total international bandwidth available to fixed subscribers, and the international bandwidth available per fixed subscriber (total bandwidth divided by total fixed subscribers).  Please also provide total busy-hour demand (in Mbit/s) for international capacity.	Table 5
<b>Other topics</b>				
Fixed and mobile	Availability of wholesale services for fixed and mobile	<b>Annual</b> To monitor the availability and take-up of wholesale services on fixed and mobile networks	Please provide a brief description of each wholesale service <b>(regulated and unregulated)</b> available on your fixed and mobile networks and the number of customers using each service.	Table 5