

PROJECT STATUS REPORT (FINAL)

JULY 2010 - DECEMBER 2010

SECTION 1: PROJECT SUMMARY

PROJECT NAME: Strengthening Competition in Telecommunications: Support Office of Utilities R.

Project Number: JA-M1004 - Operation Number: ATN/MT-9530-JA

Purpose: The regulatory framework for the rapidly evolving telecommunications sector is improved & sustainable competition promoted.

Country Administrator
JAMAICA

Beneficiary Country
JAMAICA

Group
MDF - Market Development and
Functioning

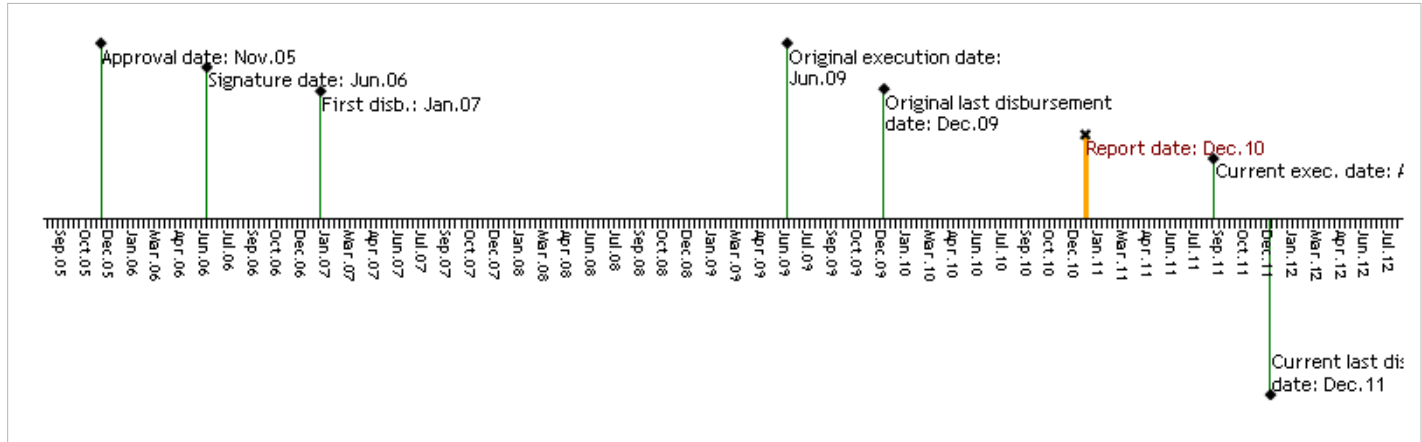
Subgroup
COMP - Promotion of Competition

Executing Agency: Oficina de Regulación de Servicios Públicos

Design Team Leader:

Supervision Team Leader: Beecher, Wayne

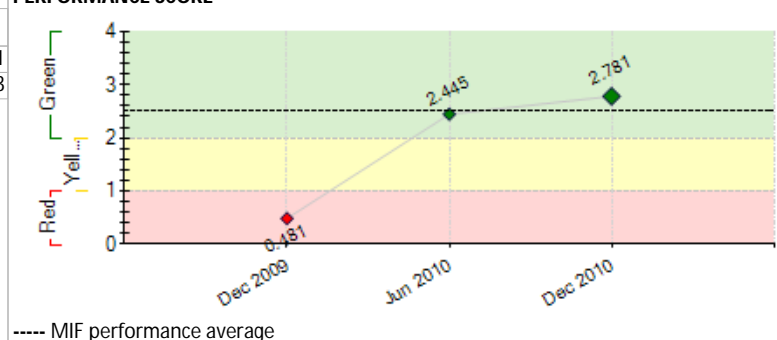
TIMELINE



FUNDS

	Approved	Cancelled	Disbursed
FOMIN	\$500,000.00	\$13,073.39	\$486,926.61
Counterpart	\$0.00	\$425,000.00	\$192,141.93

PERFORMANCE SCORE



SECTION 2: RESULTS AND ACHIEVEMENTS

Performance once project is completed

The project performance to date has been satisfactory.

There has been increased competition in the telecommunications sector. In real terms the price of mobile telecommunications services has fallen. There have been additional value added services such as reduced calling rates per minute during specific hours with the most benefits being had from cheaper on network rates. However given the recent directive of the Fair Trading Commission regarding termination rates, the OUR will in the future be able to set termination rates and implement other measures that will increase competition in the industry.

The approximate internet penetration rate up to the end of the second quarter in 2010 is 4.3%. This indicates that more persons are using the internet. In the area of numbering, OUR continues to insist that network providers exercise greater efficiency with the limited numbers that exists to be assigned across all networks. Institutional capacity has been strengthened through the various activities under this project.

The project risk level is low at this time as all contracts have been awarded and the various work schedules have begun. It is highly optimistic that the final objectives of this project will be achieved.

Comments from the Supervision Team Leader

Agreed. The EA has requested an extension of the execution period to utilize uncommitted funds remaining in the project budget. The request, which envisages a new execution end date of March 31 2011, is currently under review by the Bank.

Final evaluation

The project was fairly well implemented and achieve its objectives despite a few delays

Comments from the Supervision Team Leader

Agree with the Evaluators comments

The EA did not achieve the level of counterpart contribution committed to and requested a waiver

[Final evaluation](#)

<http://mif.iadb.org/file.aspx?DOCNUM=36703032>

SECTION 3: INDICATORS

	Indicators	Baseline	Planned	Achieved	Percentage
Purpose: The regulatory framework for the rapidly evolving telecommunications sector is improved & sustainable competition promoted. Classification: Satisfactory	P.I1 % reduction in the backlog of unresolved complaints carried over from prior year	0	50	25	50 %
	P.I2 % reduction in processing time for applications for numbers	0	50	30	60 %
	P.I3 % reduction in number of reports about uncompetitive practices re project priority areas (numbering, quality of service).	0	30	20	67 %
	P.I4 % decrease in time taken to make regulatory decisions	0	15	12	80 %
	P.I5 % decrease in complaints about regulatory ineffectiveness	0	10	8	80 %
Component 1: Improving the Competitive Environment Weight: 26% Classification: Satisfactory	C1.I1 % IT department trained in how to administer and use database.	0	100	90	90 %
	C1.I2 Percentage of quality of service standards developed	0	100	90	90 %
	C1.I3 % staff members trained in the proper use of database (data entry and reporting)	0	100	40	40 %
Component 2: The provision of and mechanisms for number administration improved. Weight: 27% Classification: Unsatisfactory	C2.I1 Percentage of automated toll free numbering administration process designed and implemented.	0	100	40	40 %
	C2.I2 Percentage of toll free access rules & OUR oversight framework established.	0	100	0	0 %
	C2.I3 % of staff responsible for number administration trained	0	100	30	30 %
	C2.I4 Percentage of framework for establishment of number portability implementation working group completed	0	100	97	97 %
Component 3: Human Resources Development and Capacity Building Weight: 15% Classification: High Satisfactory	C3.I1 % of staff trained in accordance with training plan.	0	100	95	100 %
	C3.I2 % trained who find training programmes relevant.	0	95	95	100 %
	C3.I3 % of contracts which include knowledge transfer activities specified in Terms of Reference/Scope of work	0	100	100	100 %
Component 4: Regulation of Submarine Fiber Facilities Weight: 32% Classification: Satisfactory	C4.I1 % component successfully implemented	0	100	65	65 %

CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE

- [X] Executing agency institutional capacity
[X] Purchase difficulties

SECTION 4: RISKS**CRITICAL RISKS MANAGED DURING IMPLEMENTATION**

1. Statutory and institutional changes are not effected to empower the OUR to carry out its regulatory role in the telecommunications sector.

Level: Low

Responsible: Technical Persons/Legal Officers

Status: In effect

Comments: In effect

2. Parliament does not approve the rules and regulations proposed under the project.

Level: Low

Responsible: Technical Persons/Legal Officers

Status: In effect

Comments: In effect

PROJECT RISK LEVEL: Low **TOTAL NUMBER OF RISKS:** 4 **IN EFFECT RISKS:** 2 **NOT IN EFFECT RISKS:** 0 **MITIGATED RISKS:** 2

SECTION 5: SUSTAINABILITY

Likelihood of project sustainability after project completion: P - Probable

The project is closely aligned with the mandate of the executing agency. In particular, the capacity building activities have helped to better equip OUR staff to fulfill their regulatory functions. They have also indicated their continued commitment to ensuring that necessary regulatory changes are completed. Sustainability issues will be further discussed at the project closing workshop.

CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY

[None reported in this period]

Actions related to sustainability which have been implemented:

Telecommunications access is a priority of the Jamaican Government. The Telecommunications Act establishes conditions for an open and competitive market while facilitating consumer choice, affordable prices and universal access to telecommunication services; thus the role of the OUR is central in achieving the aims and objectives of this Act. The OUR itself does not depend on the Government of Jamaica (GOF) contributions and has a more financial base to ensure effective regulation.

This project should be sustainable given the mandate of the OUR as well as the long term impact of capacity building of staff, establishment of a numbering administration system which will be integrated within the telecommunication system and the establishment of rules governing the operations of the telecommunications market in Jamaica.

Throughout the reporting period all contract were awarded so there is a greater spend of the available resources which adds to the sustainability of the project. All activities are on track to be completed on time.

[Sustainability Plan](#)

<http://mif.iadb.org/file.aspx?DOCNUM=36703037>

SECTION 6: KNOWLEDGE**Lessons Learned**

1. The greater effectiveness of the activities being managed by third parties (i.e. USTDA), there should have been a more structured participation among all parties involved.
2. For accountability, all components should be so designed and structured to allow for the inputs from the executing agency with overall responsibility of the project.
3. The preparation of the Terms of Reference should have involved more rigorous and extensive research to determine the availability of resources in the market for the task versus the available budget for each proposed activity.

Relative to

Diseño

Author

Duhaney, Stacey-Ann

Diseño

Duhaney, Stacey-Ann

Implementación

Duhaney, Stacey-Ann

Indicate which are the main products of the project, where they can be found, and how they could be “shared” with other entities or similar projects.

Consultancy reports, Terms of References and other products have been submitted to MIF HQ as part of the recently concluded knowledge audit. These will form part of the knowledge database currently being developed.

Main products of the project

[Mar 2009] Request for Proposal - Establishing Quality of Service Rules for Telecommunication (Metodologías/Materiales de capacitación)

Author: Office of Utilities Regulation

[Nov 2009] Request for Proposal - Automation of Numbering Administration Functions (Metodologías/Materiales de capacitación)

Author: Office of Utilities Regulation

[Nov 2009] Request for Proposal - Feasibility Study and Cost-Benefit Analysis on Implementation Options for Number Portability (Metodologías/Materiales de capacitación)

Author: Office of Utilities Regulation

SECTION 7: DOCUMENTS

06/MAY/2005	Donors Memorandum	[http://www5.iadb.org/mif/file.aspx?DOCNUM=534478]
27/SEP/2005	Donors Memorandum	[http://www5.iadb.org/mif/file.aspx?DOCNUM=597322]
29/SEP/2005	Donors Memorandum	[http://www5.iadb.org/mif/file.aspx?DOCNUM=598509]
04/OCT/2005	Donors Memorandum	[http://www5.iadb.org/mif/file.aspx?DOCNUM=600812]
14/FEB/2007	Donors Memorandum	[http://www5.iadb.org/mif/file.aspx?DOCNUM=904515]
14/FEB/2007	Donors Memorandum	[http://www5.iadb.org/mif/file.aspx?DOCNUM=904532]
27/FEB/2012	Intermediate Evaluation Report	[http://www5.iadb.org/mif/file.aspx?DOCNUM=36703011]
27/FEB/2012	Final Evaluation Report	[http://www5.iadb.org/mif/file.aspx?DOCNUM=36703032]
27/FEB/2012	Sustainability Plan	[http://www5.iadb.org/mif/file.aspx?DOCNUM=36703037]

[Project profile](#)

<http://www5.iadb.org/mif/apps/public/psr/projectprofile.aspx?proj=JA-M1004&lg=EN>