



A Consultation Paper on  
**Draft Decision on TRA  
Regulatory Statistical  
Framework**

Inviting public comment and input

March 25<sup>th</sup> 2021

## Introduction

- 1 The Telecommunications Regulatory Authority (TRA) **is seeking your feedback** on *our* draft decision to adopt reporting requirements for telecoms licensees, including information on: **Financial, Subscriber, and Traffic Data; Quality of Service; and Coverage and Bandwidth.**<sup>1</sup>
- 2 The purpose of seeking this information is to enable the TRA to undertake its functions under the Act—to effectively monitor the telecoms market. This will include regular gathering of data held by licensees.
- 3 This purpose of this consultation is to gather and consider public comments on the TRA’s draft decision and the proposed form to be filled out by licensees, so we can consider stakeholders’ views before finalizing the reporting requirements.

## Consultation feedback information

- 4 The TRA invites written comments and feedback on this consultation document and the draft reporting form for licensees in **Attachment 1**.
- 5 The TRA has provided a comments form for responses. This can be found in **Attachment 2**. Responses may be submitted in person at TRA’s offices in Pohnpei or sent to [consultations@tra.fm](mailto:consultations@tra.fm). Responses are due by April 25<sup>th</sup> 2021.
- 6 Submissions will be made public unless there is a specific request for confidentiality made under Section 322 of the Act<sup>2</sup>.
- 7 We provide a list of consultation questions at the end of this document to help organize responses, and for us to receive feedback on specific issues.
- 8 After receiving feedback, we will publish the submissions and our response to submissions which will state our views and reasons for either making changes or maintaining our initial views.
- 9 We intend to produce a final decision by the once all responses are received and reviewed. This will include the final version of the form intended to be filled out by licensees. The current consultation provides an opportunity for licensees to provide feedback on the prescribed form before it is finalized.

## Background

- 10 The TRA was created by the Act to be the telecommunications regulator for the Federated States of Micronesia. We set the rules for firms that provide telecommunications services (licensees) and check that firms are following these rules.
- 11 Our objectives are to provide transparent, technologically and competitively neutral regulation which focuses on promoting the long-term interests of users, encourages market entry of new licensees to FSM, provides conditions for effective competition

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<sup>1</sup> In accordance with Section 321 of the 2014 Telecommunications Act (the Act)

<sup>2</sup> See the comments form (attachment 2) for details

between providers, extends access to communications services, and promotes the overall development of communications in FSM.

#### Consultation on framework for reporting requirements

- 12 We published a consultation paper on our proposed framework for reporting requirements for telecommunications licensees on 26 October 2020. That paper included a draft list of the information reporting requirements, an explanation of why the TRA required the information, a description of the reporting form and the frequency of reporting, and a description of the TRA's powers to collect information.
- 13 Comments were received in response to the consultation paper by email from **Kacific Broadband Satellite(s) International Ltd** (Kacific) on 23 November 2020 and from **FSM Telecommunications Cable Corporation** (OAE) on 1 December 2020. Both noted that they did not have specific or major comments. Kacific noted that much of what was proposed to be collected is mobile-centric and would not apply to other licensees such as an ISP. OAE noted they would have limited reporting requirements.
- 14 In 30 October 2020 correspondence on a separate matter, the **FSM Telecommunications Corporation** (FSMTC) stated that the reporting requirements were, in its view, "onerous, time consuming and costly" and described briefly what it estimated it would be required to do in order to comply.
- 15 The TRA has carefully considered the comments received. We note that no party objected to the need to collect information from licensees, the types of information to be collected, or the overall reporting framework.
- 16 In response to the Kacific, OAE and FSMTC's comments, we note that the level of effort required by a licensee directly reflects the extent of the services offered by the licensee in the FSM. We aim to collect the required information while avoiding unnecessary burden on licensees and we are therefore seeking further feedback in some instances from licensees to better understand the effort required.

#### Draft decision on framework

- 17 In light of the comments received, the TRA considers that no changes are required to the proposed regulatory statistical indicators framework, including the proposed information reporting requirements, the frequency of data collection, and the proposed use of the information.
- 18 The TRA proposes therefore **adopt the regulatory statistical indicators framework** as described in the 26 October 2020 consultation paper.

#### Proposed information collection form

- 19 Our draft information reporting form for licensees is included in **Attachment 1**.
- 20 The reporting form is an Excel file, and includes a cover sheet to be completed by all licensees and separate tabs for providers in different markets (retail fixed internet, retail fixed and mobile voice, and wholesale). Where necessary, the form indicates where data is to be provided disaggregated by State. Licensees will submit the Excel form electronically (by email) to the TRA on a quarterly basis.
- 21 We are seeking your feedback on the proposed form. We are also open to discussions with individual operators in the event there are any concerns with respect to adapting

their data-gathering systems to the regulatory statistical indicators framework and the proposed form.

### **Consultation questions**

22 We provide here the relevant consultation questions for respondents' consideration below.

22.1 Is the draft information reporting form clear, or does the TRA need to clarify the interpretation or meaning of the descriptions?

22.2 How can the form be improved to reduce the burden and complexity of the data collection and reporting process? (please refer to specific reporting requirements where relevant)

22.3 Does the form adequately address the allocation of revenue from bundles that include multiple services (for example voice, text, data and handset) to revenue categories for individual services? Should the TRA define a standard revenue allocation method?

### **Annex**

23 Attachment 1: Draft information reporting form for licensees

24 Attachment 2: Comments form