



THE GOVERNMENT MINUTE

The Government's Response to the Report of
The Standing Public Accounts Committee (PAC)
On the Report of the Auditor General entitled:

**"Information and Communications Technology Authority
2015/16 Accounts"**

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Information and Communications Technology Authority 2015/16 Accounts

1. BACKGROUND

Section 77(7) of the Legislative Assembly Standing Orders (2018 Revision) states that the Government Minute shall be laid on the Table of the House within three months of the laying of the report of the Standing Public Accounts Committee (“the Committee”) and of the report of the Auditor General to which it relates.

This Government Minute constitutes the Government’s response to the Report of the Standing Public Accounts Committee tabled in the Legislative Assembly on the following Report prepared by the Auditor General:

- Information And Communications Technology Authority 2015/16 Accounts

The Government Minute lists any additional PAC recommendations made in relation to the Auditor General’s report, together with Management Responses submitted by the relevant Government Ministry/Portfolio to which each recommendation relates.

2. MANAGEMENT RESPONSES TO PAC RECOMMENDATIONS

In its report, the Public Accounts Committee (PAC) endorsed and supported the recommendations of the Office of the Auditor General (“OAG”) and made six (6) additional recommendations.

The additional PAC recommendations and the Management Responses to these recommendations are provided below.

PAC Recommendation 1

Responsibility: CO Ministry of PAHI

Ensure that government licencees pay ICTA (now URCO) in a timely way for their licences.

Management Response:

All Government licensees are paying their fees. There are currently no issues, but monitoring continues.

PAC Recommendation 2

Responsibility: CO Ministry of PAHI

Consider whether consumer protection arrangements are necessary and/or what role the regulator (ICTA now URCO) can play in setting prices given Cayman Islands is 190th out of 196 countries on relative internet costs.

Management Response:

Consumer Protection Regulations have been drafted, consulted on and a draft of the Regulations plus a draft Cabinet Paper submitted to the Ministry.

PAC Recommendation 3

Responsibility: CO Ministry of PAHI

Ensure the regulator upholds the requirements for licencees to provide fibre optic coverage over the entire country.

Management Response:

Licences specify rollout obligations. The Office approved the reallocation of space on poles to Digicel in November 2021, which allowed Digicel to be able to roll-out its fibre on light-poles, which had never previously been allowed. The Office is currently working through several infrastructure sharing disputes. The resulting Determinations will be aimed to ensure that licensees reasonably provide access to their infrastructure to third-party licensees who require access to that infrastructure to roll out their fibre networks.

PAC Recommendation 4

Responsibility: CO Ministry of PAHI

Reconsider the enforcement aspects of the law(s) to enable the regulator to make quicker judgements and impose higher fines.

Management Response:

Monetary penalties were increased in 2016 ICT Act from \$25,000 to \$500,000 as an incentive for compliance. An administrative fine/ticketing system is also being explored to allow penalties to be imposed and collected more efficiently.

PAC Recommendation 5

Responsibility: CO Ministry of PAHI

Ensure that free to air TV programmes are made available to people in the Cayman Islands at no cost (e.g. world cup matches).

Management Response:

Licenses contain conditions that allow OfReg to impose obligations on licensees with respect to provision of local content at no cost to the subscriber. Currently OfReg is drafting up local content standards.

PAC Recommendation 6

Responsibility: CO Ministry of PAHI

Regulate that all cable providers must carry Cayman 27 at no additional cost to the consumer.

Management Response:

The recommendation is no longer relevant as Cayman 27 no longer exists. But see previous answer with respect to the ability to enforce licence conditions relating to provision of local content.