Office of the Auditor General

VALUE FOR MONEY AUDIT REPORT ON THE REGULATION AND PROVISION OF COMMUNICATION SERVICES BY THE UGANDA COMMUNICATIONS COMMISSION

Prepared by

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LIST OF ABBREVIATIONS

AIDS	Acquired Immune Deficiency Syndrome
BPO	Business Process Outsourcing
CBO	Community Based Organization
CCC	Community Communications Centre
CIC	Community Information Centre
FM	Frequency Modulation
GoU	Government of Uganda
GSM	Global System for Mobile Communications
ICT	Information and Communication Technology
ISP	Internet Service Provider
ITU	International communications Union
IXP	Internet Exchange Point
MDGs	Millennium Development Goals
MoFPED	Ministry of Finance, Planning and Economic Development
MoICT	Ministry of Information and Communication Technology
MTN	Mobile Telephone Network
NAADS	National Agricultural Advisory Services
NDP	National Development Plan
NGO's	Non - Governmental Organisations
NPA	National Planning Authority
PEAP	Poverty Eradication Action Plan
PIP	Public Infrastructure Provider
PMA	Plan for Modernisation of Agriculture
PoP	Point of Presence
PPP	Public Private Partnership
PSP	Public Service Provider
RCDF	Rural Communications Development Fund
SMS	Short Message Service
UAF	Universal Access Fund
UCC	Uganda Communications Commission
UPL	Uganda Posts Ltd
UPTC	Uganda Posts and Telecommunications Corporation
UTL	Uganda Telecom Limited

EXECUTIVE SUMMARY

BACKGROUND

The Government of Uganda (GoU) recognized that Information and Communication Technology (ICT) plays a crucial role in promoting national development. Government therefore decided to direct its attention to the development of ICT. Uganda Communications Commission (UCC) was established in 1998 as an independent regulator for the communications sector with the mandate to implement the provisions of the Uganda Communications Act of 1997.

MOTIVATION

The audit was motivated by the fact that, despite the mandate and substantial annual revenue collections of up to Shs. 142 billion for the period 2008/09 - 2010/11, there is persistent public outcry about deteriorating quality of telecommunications services, unfair competition in the communications sector, and limited access to communication services, especially in the underserved areas of the country.

On the basis of the above concerns, the Office of the Auditor General conducted an independent assessment of the performance of UCC in order to ascertain the extent to which it has executed its mandate in relation to regulation of the communications sector and provision of communication services.

AUDIT OBJECTIVES

The specific audit objectives were:

a. To establish whether UCC ensures that operators offer quality services to consumers.
b. To establish whether UCC receives and investigates communications complaints.
c. To assess the extent to which UCC promotes access to communication services in underserved areas.
d. To ascertain whether UCC collects all the revenue due to it.
e. To ascertain the extent to which UCC regulates telecommunication tariffs.

KEY FINDINGS:

Here below are the key findings noted during the audit**:**

ENFORCEMENT OF THE QUALITY OF COMMUNICATION SERVICES.

The major audit finding indicated that the quality of communication services was not satisfactory across all networks.

Blocked Calls

A review of the quality of service monitoring reports of December 2010 and Dec 2011 revealed that all operators failed to meet the blocked call standard of less than 2%.UTL registered the highest level of blocked calls (18.7%) in Dec. 2011, compared to Dec. 2010 (2.49), which was a decline in performance of 16.21%. MTN recorded the lowest level of blocked calls (4.2%) in Dec. 2011 indicating a slight improvement of only 1.85% compared to Dec. 2010 (6.05%).

Dropped Calls

Scrutiny of the quality of service monitoring reports of December 2010 and Dec 2011 revealed that all operators failed to meet the dropped call standard of less than 2%. Warid registered the highest level of dropped calls (15.6%) in Dec. 2011; compared to Dec. 2010 (7.98%), which was a decline in performance of 7.62%. Orange recorded the lowest level of dropped calls (2.4%) in Dec. 2011 indicating a slight improvement of only 0.11% compared to Dec. 2010 (2.51%).

Successful Calls

Analysis of the quality of service monitoring reports of December 2010 and Dec 2011 revealed that all operators failed to meet the good call rate standard. UTL registered the least level of successful calls (75.6%) in Dec. 2011 compared to Dec. 2010 (92.95%), which is a decline in performance of 17.35%. Orange recorded the highest level of successful calls (93.3%) in Dec. 2011 but this was a decline in performance of 0.44% when compared with Dec. 2010 (93.74%).

CONSUMER COMPLAINTS HANDLING

It was noted that service providers resolved 64% of the complaints received by UCC leaving 36% unresolved.

Audit also noted limited public awareness about UCC complaints handling as a sample of consumers interviewed revealed that 90% of them were not aware of UCC's complaints registration procedures, their rights and obligations.

UNIVERSAL ACCESS TO COMMUNICATION SERVICES

Telemedicine Equipment

UCC under the RCDF distributed telemedicine equipment to health units to support e-medical education, e-consultation locally and internationally, e-health Management Information Systems and access to selected e-libraries.

Field inspections and interviews conducted, revealed that in all the 53 health units the equipment was not being used for the intended purpose because there was no internet connectivity, end users were not trained and lack of monitoring by UCC.

Field inspections and interviews conducted, revealed that the equipment was not being used for the intended purpose and the end users had not been trained. The network line had been dismantled, one computer stolen and another computer reallocated for office use in Gulu hospital. The audit team was not shown the equipment in Soroti hospital hence could not verify its existence.

District Web Portals

A visit to the websites of 47 districts revealed that 47% of the web portals were out of service due to non-payment while 25% had been hacked into and defaced, 15% were operational but not updated and only 13% were operational and updated. Examples of operational and updated web portals were in Kasese and Kibaale districts. Non-functional web portals were in Mbale, Kyenjojo and Bulisa.

A review of UCC reports indicated that 78 web portals had been developed and handed over to the district local administrations by June 2010. 34 districts had not yet benefitted as envisaged.

District websites browsed revealed that 47% of the web portals were out of service while 25% had been hacked into and defaced; 15% were operational but not updated and only 13% were operational and updated.

PUBLIC PAY PHONES AND COMMUNITY INFORMATION CENTRES

It was found out that all public pay phone owners received subsidies from UCC and according to documents reviewed 1,816 public pay phones and 1,533 community information centres totalling to 3,349 projects had been established at parish level by the end of 2009/10.

However, audit was not provided with MoUs establishing the Public-private-partnerships. It was therefore not possible to establish the rights and obligations of the parties involved.

It was also not possible to differentiate the UCC subsidized pay phones from others in the market.

In addition, the public pay phone operators had no knowledge of UCC's involvement as they purported to be employees of business owners.

School ICT Laboratories

The audit of School ICT laboratories discovered that out of 519 schools facilitated, 360 lacked ICT trained teachers. The five day training offered by UCC was inadequate to enable teachers impart ICT skills to students for examination purposes. In addition, 14 out of 15 schools inspected had ICT laboratories but lacked internet connectivity.

REVENUE COLLECTION

A review of the Financial Manual and financial statements revealed that although UCC had put in place a revenue assessment and collection system, revenue amounting to UGX 16.6 billion remained uncollected as at 30th June 2011. An analysis of the aged schedule of trade debtors indicated that 13.2 billion representing 80% remained outstanding for more than 122 days contrary to the acceptable credit period of 30 days.

KEY RECOMMENDATIONS:

In order to bridge UCC's performance gaps reflected in the findings above, audit recommends the following:

ENFORCEMENT OF THE QUALITY OF COMMUNICATION SERVICES.

UCC should enforce penalties for blocked calls, dropped calls, and successful calls in line with the terms and conditions of the licenses.

Consumer Complaints Handling.

- UCC should ensure that all complaints received are resolved**.**
- UCC should step up public awareness campaigns on consumer rights, privileges and obligations.

UNIVERSAL ACCESS TO COMMUNICATION SERVICES

Telemedicine Equipment

- UCC should provide internet connectivity to the health units as required in the memorandum of understanding with Ministry of health.
- UCC should facilitate training of end users of the telemedicine equipment.
- UCC should monitor and follow up the utilization of telemedicine equipment in the health units.

District Web Portals

- UCC should carry out monitoring and follow up visits to ensure that district web portals are managed and updated as per memorandum of understanding.
- UCC and Ministry of Education and Sports should ensure that ICT teachers are trained.
- UCC should ensure that schools are connected to the internet and provided with solar panels as stipulated in the memorandum of understanding.

School ICT Laboratories

- UCC and Ministry of Education and Sports should ensure that ICT teachers are trained.
- UCC should ensure that schools are connected to the internet and provided with solar panels as stipulated in the memorandum of understanding.

REVENUE COLLECTION

UCC should enforce debt recovery procedures as stipulated in the Financial and Accounting Manual.

CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND

Uganda Communications Commission (UCC) was established in 1998 as an independent regulator for the communications sector. It was mandated to implement the provisions of section 4 of the Uganda Communications Act of 1997 (Cap. 106, Laws of Uganda, 2000). Its main role is to promote fair, efficient and sustainable market environment for long term consumer well-being in terms of choice, affordability and value for money as well as to ensure UNIVERSAL access to communications services for all people in Uganda.

1.2 MOTIVATION

The Government of Uganda (GoU) recognized that Information and Communication Technology (ICT) plays a crucial role in promoting national development. ICT is perceived as a key driver for economic development as it enhances opportunities for generating income, fighting poverty, ill-health and illiteracy. Basing on the above background, government decided to direct its attention to the development of ICT by implementing the telecommunications sector reforms by creation of MOICT and liberalisation of the sector. UCC was therefore created to regulate activities of the telecommunication industry with the main objective of ensuring fair competition, providing quality services to the citizens and rolling out communications services to underserved areas of the country. The sector reforms also provided numerous sources for UCC to internally generate the revenue required to fund the above activities. Thus for the three year period under review (2008/09-2010/11),UCC collected on average UGX 47 billion annually totalling to UGX 142 billion over the period.

Despite the above mandate and substantive revenue collected by UCC, there is persistent public outcry about deteriorating quality of telecommunications services, unfair competition in the communications sector, and limited access to communication services by 80%[1] of the Ugandan population in the underserved areas.

[1] Rural Communications Development Fund Policy 2001

It is against this background that the Office of the Auditor General conducted an independent assessment to ascertain the extent to which UCC has executed its mandate in relation to regulation of the communications sector and provision of rural communication services in order to achieve its intended objectives.

1.3 DESCRIPTION OF THE AUDIT AREA

1.3.1 Background to the Auditee

The communications sector is traditionally considered to consist of telecommunications, radio, television communications and postal communications. The Uganda Communications Act, 1997 established Uganda Communications Commission (UCC) as the Industry regulator and the Uganda Communications Tribunal as the agency responsible for dispute resolution. At the time, the communications sector operated under a duopoly regime with UTL and Celtel (Airtel) as the only players. Mobile Telecom Network (MTN) as the second National operator (SNO) came on board in 1998.

The duopoly regime however, effectively ended in July 2005 with the introduction of remarkable developments within the communications sector which saw the implementation of a new licensing regime by UCC. The regime fully opened up the telecommunications market, increased competition (the number of players), availability and accessibility to a variety of services and the convergence of technologies. It also provided for issuance of separate licences for provision of communications infrastructure and services.

Rural Communications

There were also regulatory interventions through the Rural Communications Development Fund (RCDF) to bridge the service gap between the rural and urban areas. This was designed to ensure that basic communications services of acceptable quality are accessible at affordable prices and at reasonable distances by all people in Uganda. It was also meant to leverage investment into rural communications development and to promote ICT usage in Uganda, assist in areas where provision of commercial services was not feasible; and to promote competition among operators.

The UCC and BC merger of 2009

A Cabinet decision of 25th April 2007 and a Presidential directive of 18th December 2009 caused the merger of the Broadcasting Council and UCC arising from the fact that both UCC and the Broadcasting Council (BC) performed similar roles of regulating communication services. A ministerial directive of 6th Dec 2010 then operationalized the merger.

1.3.2 Mandate:

The UCC derives its mandate as a regulator from the communications Act 1997. Besides regulation, UCC also plays a role of promoting coordinated, sustainable growth and development of the Uganda communications sector.

1.3.3 Vision

The Vision of UCC is: "A Uganda in which development is facilitated through universal access to communications services largely delivered through the private sector.

1.3.4 Mission

The Mission of UCC is: to "Effectively regulate the communications sector in order to facilitate growth of communications services for sustainable development."

1.3.5 Functions of UCC

The functions of UCC are spelt out in Section 4 of the Uganda Communications Act, 1997 and include;

- To Monitor, inspect, license and regulate communication services;
- To locate and license the use of radio frequency spectrum;
- To make recommendations to the minister responsible for communication in relation to the issuance of major licenses under the Act;
- Establish a tariff system to protect consumers from excessive tariff increase;
- Set national communications standards and ensure compliance with national and international standards and obligations;
- Receive and investigate complaints relating to communications services and take necessary action for both operators and consumers/public;

- Improve communications services and ensure equitable distribution of these services throughout the country;
- Promote competition within the communications sector;
- Regulate interconnection and access systems between operators and users of telecommunications services;
- Establish and administer a fund for rural communications development;
- Promote interests of consumers and operators as regards the quality of communications services and equipment.

1.3.6 Organization structure

Following the cabinet decision of 25th April 2007, a presidential directive was issued on 18th December, 2009 to merge UCC and the BC (Broadcasting council). The merger was operationalized by the Ministerial directive of 6th December, 2010 and introduced a new organisational set-up. According to the new arrangement, the top-most organ is an interim Board whose members include engineering and legal professionals and representatives of the Broadcasting Council. The day-to-day business of UCC is executed by a directorate of nine departments created to manage the transition.

1.4 FUNDING

The UCC has various sources of funding namely: parliamentary appropriations, license and other regulatory fees, a 1% levy on the gross annual revenues(GARs) of licensed operators, loans, grants, donations from government and other sources (development partners) acceptable to the minister for ICT. The commission's total funding for the period under review stood at **UGX 142 billion** as detailed in **TABLE 1** below:

TABLE 1: Showing UCC's funding for the period 2008 -2011

Source(s)	**2008/09** UGX (Millions)	**2009/10** UGX (Millions)	**2010/11*** UGX (Millions)	**Totals** UGX (Millions)
Spectrum fees	23,086	23,581	32,421	**79,088**
Broadcasting services	341	454	486	**1,281**
Satellite licence	332	349	340	**1,021**
Infrastructure license	1,127	680	666	**2,473**
Service licence	619	881	1,079	**2,579**
Courier licence	97	135	132	**364**
1% levy on Revenue	3,460	9,072	10,380	**22,912**
Grants	9,429	-	-	**9,429**
Other licences	55	31	32	**118**
Other Revenue	6,329	4,611	5,342	**16,282**
1% deferred levy	-	-	6,207	**6,207**
Totals	**44,875**	**39,794**	**57,085**	**141,754**

Source: *Audited accounts for the respective financial years*

** Draft Final accounts*

1.5 AUDIT SCOPE

The audit focused on assessing the extent to which UCC has performed its regulatory role in the telecommunications sector, and examined the extent to which it has promoted achievement of universal access to communications services. The audit covered three financial years namely: 2008/09, 2009/10 and 2010/11.

1.6 AUDIT OBJECTIVES

The overall audit objective was to ascertain the extent to which UCC has executed its mandate in relation to regulation of the communications sector and provision of rural communication services in order to achieve its intended objectives.

The specific objectives were:

a. To establish whether UCC ensures that operators offer quality services to consumers.
b. To establish whether UCC receives and investigates communications complaints.

c. To assess the extent to which UCC promotes access to communication services in underserved areas; and
d. To ascertain whether UCC collects all the revenue due to it and appropriates it as planned.
e. To ascertain the extent to which UCC regulates telecommunication tariffs.

CHAPTER TWO

AUDIT METHODOLOGY

The audit was conducted in accordance with the International Organization of Supreme Audit Institutions (INTOSAI) Performance Auditing Standards and the Office of the Auditor General (OAG) VFM audit manual. The standards require that the audit be planned in a manner which ensures that an audit of high quality is carried out in an economic, efficient and effective way and in a timely manner.

2.1 SAMPLING

The country was divided into four main regions: Northern, Eastern, Central and Southern. Forty eight districts were randomly selected from the regions in order to gain an in-depth understanding of the entity. Out of these, projects in six districts were physically inspected and telephone interviews were carried out in forty two districts. The districts sampled are shown in **APPENDIX I.**

2.2 DATA COLLECTION METHODS

Data was collected through the following methods:

2.2.1 Document Review

Documents were reviewed in order to obtain information relating to regulation and provision of communication services as shown in **APPENDIX II**.

2.2.2 Interviews

Face to face and telephone interviews were conducted with key officers of the Commission, Districts, Hospitals and Schools with the aim of corroborating information obtained from document reviews **(Refer to APPENDIX III).**

2.2.3 Field and Website Visits

Field visits were carried out in the Districts of Gulu, Soroti, Manafwa, Wakiso, Mbarara and Kampala to confirm the information gathered through other data collection methods and to verify the activities implemented on site. Districts websites were visited to confirm whether the sites were developed, operational, and regularly updated.

2.3 DATA ANALYSIS

Data collected from the field was analysed in order to compare the actual and planned performance so as to establish variations or trends.

CHAPTER THREE

SYSTEMS AND PROCESS DESCRIPTION

3.1 ROLES AND RESPONSIBILITIES OF KEY PLAYERS

The communications industry is influenced by a number of stakeholders nationally and internationally. These include government, service providers, consumers and development partners among others. Briefly, their roles are as hereunder:

The Government of Uganda (GoU) represented by MoICT

The GoU plays two roles within the communications sector, first is that of policy making through the Ministry of Information and Telecommunications Technology (MoICT).The second role is that of regulation which is performed by UCC.

The Board

This is an eight (8) member Board established to head the transitional body comprising of merger of UCC and BC. The Board is mandated to oversee the discharge of UCC functions in accordance with the Communications and Electronic media Acts. The board is comprised of 4 (four) functional committees namely:-the legal and technical; planning and development; finance and tender and the audit committees. It provides policy guidance and monitors progress towards the implementation of UCC business and strategic plan.

The Executive Director (ED)

The ED is the chief executive officer (CEO) of the Commission and also doubles as a member of the Board.

The CEO is responsible for the day to day management of the Commission.

The Secretary to the Board

The Secretary is appointed by the Board and is answerable to the Executive Director. As secretary, he/she is responsible for taking all minutes of Board meetings. The Secretary is also the head of the legal department providing legal services to the commission as well as management of the insurance portfolio.

Department of Competition and Corporate Affairs

This department is responsible for interconnection and tariff regulation; competition and economic monitoring; Research and Development and information Technology.

Technology and Licensing Department

This is charged with frequency planning and monitoring; management of numbering resources; Quality of service regulation; Technical monitoring and licensing of operators and service providers.

Department of Finance and Accounting

This department manages Board revenues and expenditures as well as ensuring compliance with financial policies and regulations.

Department of Human Resource and Administration

The primary concern of this department is the organisational design and systems. In addition, it is responsible for staff motivation and deployment as well as asset management.

Department of Rural Communications

UCC implements the operations of the universal access to communication programmes, especially to the underserved areas through the administration of the Rural Communications Development Fund (RCDF). The Directorate of Rural Communications is responsible for this fund. It identifies RCD projects, service providers, provides subsidies and carries out monitoring and evaluation of the implemented projects.

The Communications Tribunal

The Communication Tribunal is provided for in the Communications Act with powers of the High Court. It is mandated to arbitrate and handle appeals (complaints or disputes) not satisfactorily handled by UCC.

Service providers

The service providers offer communication services, such as: telephone, internet, satellite, radio, TV, mobile wireless, conferencing, digital subscribing, equipment, fax, voice mail and network management. In Uganda the major service providers include MTN Uganda, Airtel Uganda, Orange Telecom, Warid telecom, UTL, I-Telecom, Smile telecom and TMP.

The World Bank

The World Bank provides financial and technical support to the rural communications development efforts and contributes over 85% of the funds for RCDF.

Consumers

The consumers are generally the beneficiaries of the various communication services. They include users of: telephone, internet, satellite, radio, TV, mobile wireless, conferencing, digital subscribing, equipment, fax, and voicemail.

3.2 PROCESS DESCRIPTION

3.2.1 Provision of communication services:

The Telecommunications (Licensing) Regulation, 2005 Section 5 requires UCC to issue licences for provision of communications services. An operator issued with a telecommunications licence shall operate and provide services in accordance with the Communications Act and Regulations, and the terms and conditions of the licence. UCC's functions under the Act are to ensure that consumers receive quality communications services[2]. In a bid to fulfil this function, UCC has developed quality of service guidelines and standards that are supposed to be observed by the respective service providers or operators. These guidelines and standards are reflected in the service or license agreements made by UCC and the operators. It is a requirement that the stipulated standard of service together with the associated charges or quoted prices should be brought to the knowledge of the customer prior to the use of the service (s).

[2] The Communications Act S.4 (m)

UCC periodically (during normal and peak demand/traffic periods) monitors the quality of services offered by operators through consultants.

As a means of enforcing compliance with quality of service standards, UCC developed a "Publication of Compliance Results" policy, where monitoring results are first sent to the affected operators for their information and thereafter published in the media with intent to "name and shame" the non-compliant operators. Where the consumer is not satisfied with the quality of service, he/she may lodge a complaint with UCC.

3.2.2 **Consumer Complaints handling**

The communications Act[3] mandates UCC to receive and investigate complaints relating to communications services and take necessary action. Consumers have a right to complain about terms of any communications service which have not been met by a provider. Such complaints can be about the quality, delay, quantity and tariff with regard to the communication service provided.

According to UCC guidelines on complaints lodging, a dissatisfied customer or operator should first contact a provider of services he/she has a complaint with. If the provider does not satisfactorily solve the problem, a written complaint is then filed with the Consumer affairs helpdesk at UCC indicating provider contacts and type of complaint. Complaints may also be received by phone, e-mail, fax or personal visit.

After receipt of the complaint, UCC analyses and investigates it and the consumer affairs section contacts the service provider complained against. Once the consumer affairs section is satisfied that the provider breached its terms of contract or acted contrary its license obligations, appropriate action is taken without any further delay. If investigations are concluded in less than 48 hours, the complainant is then reached on phone or fax under 48 hours otherwise the outcome of the review is normally communicated to the complainant in writing within 14 days.

In the event that the complainant is not satisfied with UCC recommendations, he/she may appeal to the Communications Tribunal.

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3 Section 4 (l)

3.2.3 RCDF Project Implementation

UCC develops appropriate ICT projects for underserved areas of the country. The projects are implemented through a Public-Private Partnerships arrangement. The Commission contributes financial support of up to 40% of the total project cost and technical assistance. On completion of installation, the project is handed over to the private partner who owns and manages it.

Revenue Collection

The Commission collects revenue from: Spectrum fees, Broadcasting services, Satellite licence, Infrastructure license, Service licence, rental fees, Courier licence, 1% levy on operators' Revenue. GoU and the World Bank also provide financial support to the Commission.

The assessment (billing) of the amounts due to the Commission is done by the Directorate of Technology and licensing in line with the relevant regulations/guidelines and varies from source to source. After assessment, the bills are passed on to the Directorate of Finance for the preparation of invoices and their subsequent delivery to the operators.

All revenue received by the Commission is acknowledged by an official receipt issued by the cashier. Some transactions are made on credit and these are managed through a debt management policy. The policy provides for the payment of the debt within 30 days; all overdue debts of up to 60 days should be subjected to debt recovery procedures, which include: sending of two written reminders to defaulting operators, a seven (7) day notice of intention to sue and subsequent handover to the legal department for recovery action.
The Executive Director reports to the Board the status of debtors on a quarterly basis.

Regulation of Telecommunication Tariffs

The Commission is mandated to establish and enforce a regulatory framework to promote the development of the sector by ensuring that communication services are affordable yet promote investment in the sector. In order to achieve this, the Commission invites cost based tariff proposals from operators which it reviews. Once the Commission is satisfied that the proposed tariffs promote competition and are not discriminative, it issues letters of no objection for operators to proceed to charge the proposed tariffs.

Regarding interconnection rates, the Commission allows operators to negotiate the rates payable but sets a reference rate around which the negotiations will revolve. In the event of failure of negotiations, the reference rate becomes the defacto rate.

CHAPTER FOUR

FINDINGS

4.1 ENFORCEMENT OF THE QUALITY OF COMMUNICATION SERVICES

Section 4(m) of the Communications Act requires UCC to promote the interests of consumers and operators as regards the quality of communications services and equipment. In order to achieve this, the Act mandates UCC to set quality of service standards for communication operators. In addition, (S.4 (b) and S.8 (3)) of the Telecommunications (licensing) Regulations 2005 require UCC to license communication operators. Where the licensee does not comply with specified technical or quality standards and the general delivery of services, UCC should impose a penalty, fine or sanction in accordance with the terms and condition of the license.

Interviews conducted with consumers and documents reviewed revealed that UCC had set the expected quality of service standards. It was however noted that despite the standards set, the quality of communication services was not satisfactory across all networks.

4.1.1 Blocked Calls

The UCC technical standards on blocked calls as revised in 2006 require operators to have a call block rate of less than 2%.

A review of the quality of service monitoring reports of December 2010 and Dec 2011 revealed that all operators failed to meet the blocked call standard of less than 2%.UTL registered the highest level of blocked calls (18.7%) in Dec. 2011, compared to Dec. 2010 (2.49), which was a decline in performance of 16.21%. MTN recorded the lowest level of blocked calls (4.2%) in Dec. 2011 indicating a slight improvement of only 1.85% compared to Dec. 2010 (6.05%). The performance of other service providers is shown in **Table 2.**

Table 2: Showing blocked calls by Operators for Dec. 2010 and Dec 2011

Operator	Performance/Parameter			
	Call block rate (percentage)			
	Dec. 2010	**Dec 2011**	**Increase/(decrease) in performance**	**Remarks**
UTL	2.49	18.7	(16.21)	Declined
MTN	6.05	4.2	1.85	Improved
AIRTEL	25.05	5.4	19.65	Improved
WARID	25.84	6.5	19.34	Improved
ORANGE	3.34	4.3	(0.96)	Declined

Source: UCC Quality of Service Reports for Dec. 2010 and Dec. 2011

4.1.2 **Dropped Calls**

The UCC technical standards on dropped calls as revised in 2006 require operators to have a call drop rate of less than 2%.

Scrutiny of the quality of service monitoring reports of December 2010 and Dec 2011 revealed that all operators failed to meet the dropped call standard of less than 2%. Warid registered the highest level of dropped calls (15.6%) in Dec. 2011; compared to Dec. 2010 (7.98%), which was a decline in performance of 7.62%. Orange recorded the lowest level of dropped calls (2.4%) in Dec. 2011 indicating a slight improvement of only 0.11% compared to Dec. 2010 (2.51%). The performance of other service providers is shown in **Table 3** below:

Table 3: Showing dropped calls by Operators for Dec. 2010 and Dec 2011

Operator	Performance/Parameter			
	Call Drop rate (percentage)			
	Dec. 2010	**Dec 2011**	**Increase/(decrease) in performance**	**Remarks**
UTL	4.56	5.70	(1.14)	Declined
MTN	5.01	3.90	1.11	Improved
AIRTEL	6.26	4.70	1.56	Improved
WARID	7.98	15.60	(7.62)	Declined
ORANGE	2.51	2.40	0.11	Improved

Source: UCC Quality of Service Reports for Dec. 2010 and Dec. 2011

4.1.3 **<u>Successful Calls</u>**

The UCC technical standards on successful calls as revised in 2006 require operators to have a good call rate of more than 95%.

Analysis of the quality of service monitoring reports of December 2010 and Dec 2011 revealed that all operators failed to meet the good call rate standard. UTL registered the least level of successful calls (75.6%) in Dec. 2011 compared to Dec. 2010 (92.95%), which is a decline in performance of 17.35%. Orange recorded the highest level of successful calls (93.3%) in Dec. 2011 but this was a decline in performance of 0.44% when compared with Dec. 2010 (93.74%). The performance of other operators is shown in **Table 4:**

Table 4: Showing successful calls by consumers for Dec. 2010 and Dec. 2011

Operator	Performance/Parameter			
	Good Call rate (percentage)			
	Dec. 2010	Dec 2011	Increase/(decrease) in performance	Remarks
UTL	92.95	75.6	(17.35)	Declined
MTN	88.94	91.9	2.96	Improved
AIRTEL	68.68	89.9	21.22	Improved
WARID	64.92	77.9	12.98	Improved
ORANGE	93.74	93.3	(0.44)	Declined

Source: UCC Quality of Service Reports for Dec. 2010 and Dec 2011

The decline in service quality was attributed to UCC's failure to enforce quality of service standards.

<u>Management response</u>

Management explained that the Licences issued to operators did not specify penalties needed to enforce the quality of service (QoS) standards. In an attempt to ensure compliance by the operators, UCC has used the "Name and shame policy" where QOS survey results are published in the press.

The commission has also proposed penalties to enforce the QoS for the Call Drop rate, Call block rate and network availability. This is still under

consultation with the operators. When the consultation process is completed the penalties will be gazetted.

Audit however noted that the "name and shame" policy was not punitive enough to deter the operators from non-compliance

Conclusion:

Failure by UCC to enforce service standards led to unsatisfactory quality of services provided by operators and a high cost of doing business.

Recommendation:

UCC should enforce a penalty for the poor quality of communication services in line with the terms and conditions of the licenses.

4.2 CONSUMER COMPLAINTS HANDLING

UCC is mandated to receive and investigate complaints relating to communications services and to take necessary action. It also empowers UCC to provide consumer awareness and protect the interests and rights of consumers.

According to documents reviewed, 64% of the complaints received by UCC were resolved by service providers in Dec 2011. 36% of the complaints received remained unresolved. These complaints comprised: blocked calls, wrongful billing/undue charges, unsolicited text messages, misleading advertisements, delayed/non-delivery of text messages, network unavailability, erratic internet services, high call waiting times, inability to recharge credit and outright fraud.

In addition, a sample of 80 consumers interviewed from five districts revealed that 90% (72) of the consumers were not aware of UCC's complaints registration procedures. This was attributed to inadequate public sensitization by UCC. It was noted that the commission spent UGX 0.9 billion, 1.3 billion and 1.5 billion in 2008/09, 2009/10 and 2010/11 respectively on advertising and business promotion.

Failure by UCC to resolve all reported complaints and lack of awareness about complaints lodging procedures led to consumer problems remaining unresolved.

Management response

According to management, the complaints lodging procedure of written submissions has been largely prohibitive for the ordinary consumer to lodge complaints. The Commission has now set up a TOLL free help line and the complaints received shall be recorded and transcribed. In the next FY 2012/2013 the HR capacity will be enhanced in the department to handle complaints investigation and management.

Management also explained that plans are underway to establish regional offices to among others enhance the Commission's physical presence in the region. This has been budgeted for in the financial year 2012/2013. The Consumer awareness campaign will also be more consumer centric focusing on consumer empowerment issues.

Conclusion

Unresolved consumer complaints and unreported problems resulted into unchecked poor quality of services which have a negative bearing on the cost of doing business.

Recommendations

- UCC should ensure that all complaints received are resolved**.**
- UCC should step up public awareness campaigns on consumer rights, privileges and obligations.

4.3 UNIVERSAL ACCESS TO COMMUNICATION SERVICES

In line with the objectives of the Communications Act 1997, UCC is required to enhance national coverage of communications services and products through promotion of universal access to communication services[4]. The Directorate of Rural Communications was created to extend communication services to the underserved areas[5].

These services include establishing: internet points of presence (PoPs), internet cafes, ICT training centres, public pay phones, district web portals, voice network

[4] The communications (Universal service) Regulations,2005

[5] RCDF Policies 2003-2008 and 2010 – 2015

sites, school ICT laboratories, Health ICT (Telemedicine) facilities, postal projects among others.

4.3.1 <u>**Public Pay Phones and Community Information Centres**</u>:

Documents reviewed indicated that 1,816 public pay phones and 1,533 community information centres totalling to 3,349 projects had been established at parish level by the end of 2009/10.[6] Fifty pay phone owners subsidized by UCC were interviewed and they all acknowledged receipt of the subsidy and the existence of the public pay phone. However, the Commission did not provide audit with MoUs establishing the Public-private-partnerships. During inspection, the persons operating the pay phones had no knowledge of UCC's involvement as they purported to be employees of business owners. Furthermore, audit could not differentiate the UCC subsidized pay phones from others in the market.

<u>**Management response**</u>

Management stated that the contracts for provision of public pay phones were signed between UCC and the Operators who own the phones and employ and supervise the people to run them on a day to day basis.

Regarding differentiation, management explained that they had designed labels for use on all the RCDF supported projects including phones and their procurement was completed. Mounting them is expected to be completed by June, 2012.

4.3.2 <u>**Telemedicine Equipment**</u>

As part of its efforts to enable health units and health practitioners interlink with all district health offices (DHOs), Government hospitals, Health Centre IVs, Referral hospitals and Ministry of Health headquarters, UCC under the RCDF distributed telemedicine equipment to health units. The equipment was intended to support e-medical education, e-consultation locally and internationally, e-health Management Information Systems and access to selected e-libraries.

Field inspections and interviews conducted, revealed that in all the 53 health units the equipment was not being used for the intended purpose. In Gulu hospital, the network line had been dismantled, one computer stolen and another computer

[6] RCDF Annual report 2009/10

reallocated for office use. In Soroti hospital the existence of the equipment could not be verified as the team was not shown the equipment.

PICTURE 1: Showing telemedicine equipment supplied to Gulu Regional Referral Hospital

Source: OAG field photos taken on 14th February,2012

Audit attributed the failure to use the equipment to lack of internet connectivity, lack of end user training, and inadequate monitoring and follow up by UCC.

The equipment is not being used for the intended purpose and a sum of US$ 1,996,344 (UGX 4,791,225,600) spent on acquisition was not put to proper use.

Management response

According to management, the telemedicine programme was planned to be implemented in a sequence of three phases namely: establishment of infrastructure, Internet connectivity and staff onsite training. The first phase had been completed; the second phase was at the procurement stage and the third phase was underway.

Management also stated that monitoring of RCDF projects was carried out on a quarterly basis. The last monitoring was carried out in December, 2011 specifically for the telemedicine programme.

Audit was however, not availed the telemedicine programme document and could therefore not verify the stipulated timelines for the phased programme implementation. In addition the RCDF project monitoring report submitted by management was not inclusive of the telemedicine projects monitored, if any.

Conclusion

The benefits of telemedicine technology of: efficient utilization of scarce medical personnel and experts, quicker service delivery, reduced patient waiting time, and efficient handling of emergency cases as envisaged by the project have not been realized.

Recommendations

- UCC should provide internet connectivity to the health units as required in the memorandum of understanding with Ministry of health.
- UCC should facilitate training of end users of the telemedicine equipment.
- UCC should monitor and follow up the utilization of telemedicine equipment in the health units.

4.3.3 District Web Portals

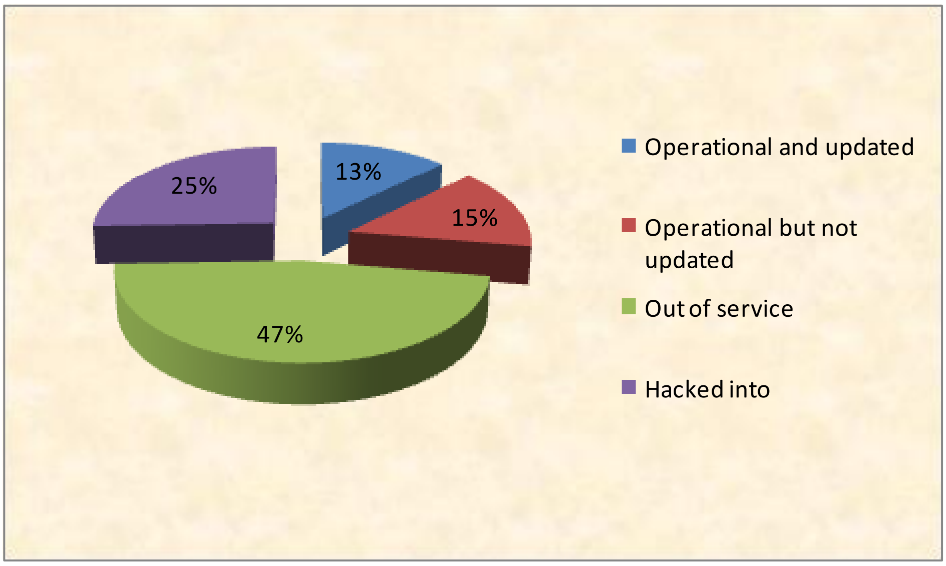
In the quest to bring about equitable access to communication services, especially to underserved areas, the Commission undertook to support the development of web portals (websites) in all districts in the country. The web portals were to provide data and information to the public on: Health, Agriculture, Education, works, district performance; government programmes, politics, investment opportunities, environment, infrastructure, news, and profiles of district leaders and their contacts.

The web portal service was also expected to provide a translation to the local language commonly used in the district and be used to generate income to the district through rent of space for advertisements. The portals were to be managed by the Districts, including their updating, use and payment of subscription fees.

A review of reports by UCC indicated that 78 web portals had been developed and handed over to the district local administrations by June 2010. 34 districts had not yet benefitted and management explained that the project was on going.

A visit to the websites of 47 districts revealed that 47% of the web portals were out of service due to non-payment while 25% had been hacked into and defaced, 15% were operational but not updated and only 13% were operational and updated as shown in the Pie Chart (**FIGURE 1**). Examples of operational and updated web portals were in Kasese and Kibaale districts. Non-functional web portals were in Mbale, Kyenjojo and Bulisa. Details of district website status are in **APPENDIX IV.**

FIGURE 1: Showing status of district web portals as at February 2012



Source: ***OAG analysis of district web portals browsed***

Further analysis revealed that none of the web portals provided a translation of its contents to the district local language.

Audit attributed the non-functioning of the web portals to district management who failed to manage and update them. It was also noted that UCC did not effectively monitor and follow up on the districts to ensure compliance with the terms and conditions of the MoU's.

Failure to maintain up-to-date web portals resulted in non-provision of data and information to the public. The districts have also not tapped into the potential revenue that would accrue from renting of space for advertisement.

Management response

Management concurred with the finding stating that some districts did not embrace their web portals effectively by delaying to pay for annual hosting fees and also delaying to update their content. Consequently, the RCDF Board approved a resuscitation plan for districts web portals which included sensitisation workshops for all District LC V Chairpersons, Chief Administration Officers and Information Officers and payment of fees for all disconnected and hacked into district web portals. The Ministry of Local Government also promised to provide new data content for each district to RCDF to use for updating the restored web portals. The update is expected to be complete by the end of March, 2012.

In addition, the Ministry of ICT has arranged to introduce positions of district ICT Officers effective 2013/14 financial year. These are expected to oversee and provide support to the ICT initiatives such as web portals in the district.

Conclusion

District web portals were not properly managed and updated hence the objectives of equitable access to communication services, especially to underserved areas, were not achieved.

Recommendation

UCC should carry out monitoring and follow up visits to ensure that district web portals are managed and updated as per memorandum of understanding.

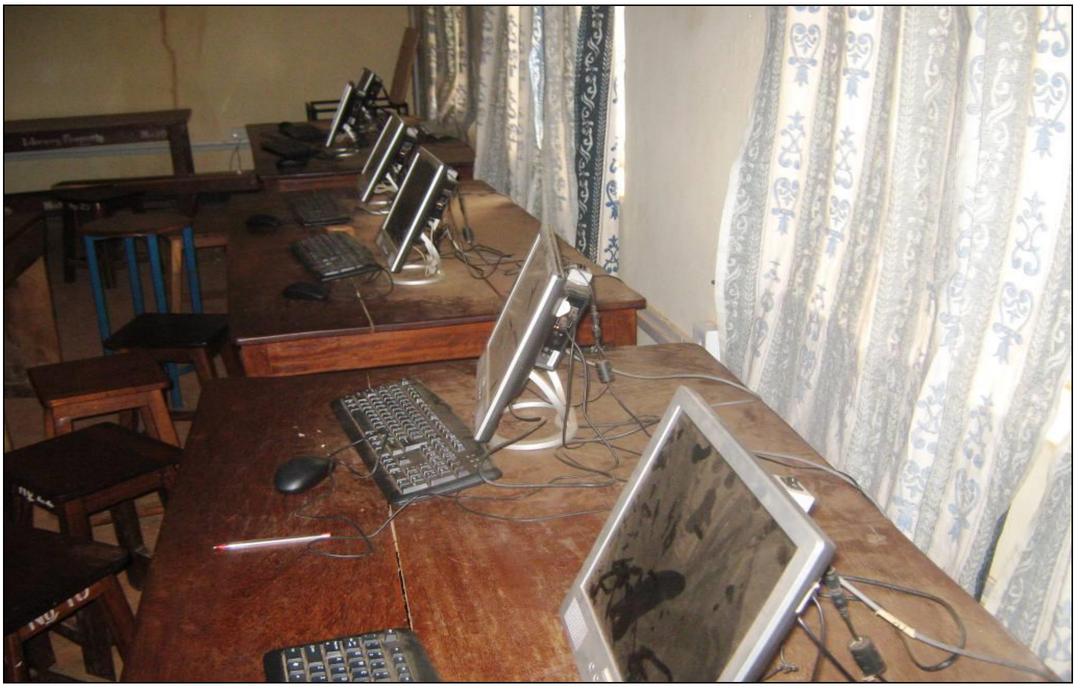
4.3.4 School ICT laboratories

As part of the campaign to increase access and promote ICT usage, UCC in collaboration with Ministry of Education and Sports (MoES), signed a Memorandum of Understanding to establish ICT laboratories, provide connectivity and content delivery to government aided secondary schools. Solar powered ICT laboratories were to be provided to schools which lacked access to the national grid electricity. The laboratories were intended to provide computer literacy, access to the internet, use of e-mail services and computer based learning aids through enabling schools to teach computer studies as a curriculum subject at O'level and teach general purpose computer applications to the community.

A review of procurement documents at UCC revealed that out of 519 schools supported with ICT laboratories, 360 lacked ICT trained teachers. UCC provided a five day training (retooling workshop) to the 360 teachers (one teacher per school) at a cost of UGX 117,000,000. Training of teachers for only five days was not adequate to enable them impart ICT skills to students for examination.

It was also observed that ICT laboratories had been established in 14 out of 15 schools inspected during the audit. ICT laboratory equipment had not yet been delivered to Sacred Heart S.S Gulu at the time of the audit (February, 2012) although management reported that the equipment had been installed. The schools lacked internet connectivity and experienced unreliable power supply. Bumbo S.S in Manafwa district had no access to grid electricity but was not provided with solar panels hence had to rely on a standby generator, which was inadequate to power the ICT laboratory. It was further observed that some schools did not protect computers from dust (**Photograph 2)** and they were not regularly maintained or upgraded. The computers were also not engraved to ease their identification, thus making them susceptible to theft.

PICTURE 2: Showing computers not protected from dust at Bubulo Girls High School



Source: OAG field inspection Photos taken on 17th February, 2012

The failure by the schools to run the ICT laboratories affected the imparting of ICT skills to the students.

Management response

Management confirmed the finding stating that the Ministry of Education and Sports is responsible for providing teachers but the available number of ICT teachers is not adequate to cover all the schools that have been supported with ICT laboratories.
In order to address the inadequacy of ICT teachers in schools, management explained that ICT laboratories had been provided to all Teacher training colleges and are expected to be ready by July 2012.

As regards provision of Solar systems to schools that do not have access to grid electricity, management stated that ICT laboratories established before 2009 could not be solar powered because the computers installed then could not use solar power. They added that solar powered computers only came onto the market in the year 2009.

Conclusion

Without properly trained ICT teachers, internet connectivity and reliable power supply, the campaign to promote ICT usage and teach computer studies as a curriculum subject in government aided secondary schools as well as encourage internet research remains elusive. Besides, the computers and software supplied risk becoming obsolete before being put into full use.

Recommendations

- UCC and Ministry of Education and Sports should ensure that ICT teachers are trained.
- UCC should ensure that schools are connected to the internet and provided with solar panels as stipulated in the memorandum of understanding.

4.4 REVENUE COLLECTION

The UCC Finance and accounting manual 2010 requires management to put in place proper arrangements for prompt assessment, collection, recording and safe custody of all revenue that accrues to the commission. Section 7.1(ii) of the same manual stipulates that UCC's credit period should not exceed 30 days from the date of provision of service or delivery of goods.

A review of the Financial Manual and financial statements revealed that although UCC had put in place a revenue assessment and collection system, revenue amounting to UGX 16.6 billion remained uncollected as at 30th June 2011. An analysis of the aged schedule of trade debtors indicated that 13.2 billion representing 80% remained outstanding for more than 122 days contrary to the acceptable credit period of 30 days.

Audit attributed the inability to collect revenue to failure by UCC to enforce debt recovery procedures as stipulated in the Financial and Accounting Manual.

The failure by UCC to collect all the revenue due, affected the implementation of planned activities and service delivery.

Management response

Management agreed to the finding and clarified that Uganda Telecom and Posta Uganda accounted for 76% (UGX 10b) of total debtors aged above 122 days. They added that the Commission took legal action against Uganda Telecom and Posta Uganda and entered into a consent judgement to pay in instalments but UTL still failed to pay the balance and the Commission had started the process of revoking UTL's Licence.

Conclusion

The Commission did not collect all revenues due; this affected the entity's efforts to regulate the communications sector and provide communication services to the underserved areas.

Recommendation

UCC should enforce debt recovery procedures as stipulated in the Financial and Accounting Manual.

4.5 REGULATION OF TELEPHONE TARIFFS

Section 4 (f) of the Uganda communications Act, 1997 requires UCC to establish a tariff system to protect consumers from excessive tariff increase and avoid unfair tariff competition. In addition, UCC is also required to ensure that the tariffs charged to consumers are cost oriented, transparent, non-discriminatory, promote competition and encourage new investments[7].

Interviews conducted and documents reviewed revealed that UCC established a tariff system where operators submit proposed cost based tariffs for review by the commission. After the review, the commission gives letters of no objection to the operators to go ahead and charge the proposed tariffs.In abid to protect consumers, UCC also developed and issued tariff guidelines requiring operators and other industry players to notify it five days before offering any new call tariffs and to limit promotions to not more than ninety (90) days, or renew them only once every 12 months.

However, audit noted that, operators have continued to engage in aggressive promotional price cuts which led to unfair competition in the industry. Warid telecom was taking the lead with its popular packages such as *"Pakalast, Kawa, Pepeya* and *Berako".* It was noted that the "*Pakalast"* package had been on promotion since July 2009 for more than the stipulated ninety days and there was no evidence of renewal. Other promotional campaigns for example "*Sukuma SMS"* by MTN, "*Ky'akabi"* by AIRTEL, were unsolicted for by consumers and entice them to participate unknowingly hence losing their monies. For example, if 1 million customers of MTN, which has a customer base of 3.3 million, accepted to participate by sending only one SMS which costs UGX 900 compared to UGX 50 of a normal SMS, the resulting income of the operator shall be UGX 900 miliion,yet a reward of only UGX 10million is on offer.

Anti- competitive practices were also noted on "off-net call rates" which operators charged independently and discriminatorily.For instance, operators in the period from June 2009 to June 2010 have been charging rates ranging from UGX 290 to UGX 500 for off-net calls.This practice makes calls across networks costly as the final charge is passed on to the consumer hence unfairly locking customers to a particular network.

The existence of unfair practices by operators was attributed to failure by UCC to effectively regulate the operators in the telecommunications sub sector.

[7] Telecommunications (Tariffs and Accounting) Regulations, 2005

Management response

Management affirmed that Operators like Airtel, Orange and Warid were allowed to run the campaigns and some of the tariffs as permement offers when they had just launched services because at that time they did not possess any market power to pose a threat to the competitive landscape of the market.In addition, they had excess capacity on their networks. Operators like Warid Telecom went to the extent of offering free calls and this forced the Commission to intervene. In this regard, the Commission has drafted a revised retail tariff guideline and is consulting with the industry and regional regulators on its application and best practice approach to the regulation of new pricing approaches such as discounted on- net call bundles.

Related to promotions,management explained that the Commission's mandate was limited to ensuring that operators clearly, widely and prominently circulate the terms and conditions of the said offers to their customers and the customers have clear OPT OUT/ UN SUBSCRIBE options.

Management also explained that in Uganda unlike other countries, the Gaming and Pool Betting Act gives the mandate to regulate promotions to the Secretary to the Treasury, Ministry of Finance. They promised to liase with the Secretay to the Treasury to address gaps in the legislative regime.

Management further stated that for the case of Uganda where there are many players in the retail market, regulatory focus (the setting of cost based tarrifs) has been at the wholesale/ interconnect prices and not retail prices.They however stated that they are currentlty undertaking

new cost based interconnection study to enhance efficiency in the wholesale market as well as reviewing provisions related to promotional tarrif to ensure improved transparancy and the removal of predatory pricing practices.

Audit noted that whereas customers had a choice to subscribe or opt out of the promotional campaigns, the commission is mandated to protect them from misleading adverts, unsolicited text mesages,exploitative practices and being cheated by operators.

Conclusion

UCC has falied to regulate the tariffs in the telecommunication industry so as to ensure charges to consumers are cost oriented, transparent, non-discriminatory, promote competition and encourage new investments[8].

Recommendation

UCC should effectively regulate the operators in the telecommunications sub sector.

John F. S. Muwanga
AUDITOR GENERAL

KAMPALA

23rd March 2012

[8] Telecommunications (Tariffs and Accounting) Regulations, 2005

GLOSSARY OF TERMS

Blocked call: A call attempt which although initiated within the coverage area was not established (in terms of getting a connection to the called number) within the limit set for each test call to do so. A situation where connection cannot be established despite availability of network connectivity.

Dropped call: A call terminated by the operator's network (network failure) after call establishment but prior to normal termination by the calling or called party.

Duopoly: Where only two industry players are allowed to operate in the market.

Interconnection rates: The amount of money that one telecommunications company pays to another when callers make cross network calls.

Misleading Advert: Advertisements that are dubious, untruthful or deceitful.

Price caps: Tariff floors or ceilings set by UCC for consumers or operators.

Quality of service: Refers to the degree of both technical and non-technical components of service that affect the user's experience. It also refers to aspects of services that users experience directly and the degree of consumer satisfaction.

Uncredited bonus: Failure to credit a subscriber with bonuses earned in on-going promotions.

Unsolicited text messages: Unwanted messages sent to consumers by service providers.

Wrongful billing: Presumed overcharging of communications services, excessive deductions of credit, refunds or bill adjustments, dropped balances, inappropriate billing, non- delivery of paid for services, multiple SMS and undelivered SMS.

APPENDIX I: Documents Reviewed

The following documents were reviewed:

No	Document reviewed	Purpose for review
1.	The UCC Strategic Plan (2008-2013)	To understand the key objectives and plans of UCC
2.	The UCC business plan (2008-2010)	To obtain UCC's operational plans
3.	The Uganda Communications Act 1997 (CAP 106, Laws of Uganda,2000)	To understand the mandate of UCC
4.	UCC Regulations, 2005	Further insight of UCC's mandate
5.	The ICT Ministerial Policy Statement, 2006	To examine the provisions and guidelines meant to operationalize the Act.
6.	Quality of Service Reports of July and December, 2010 and Dec 2011	Assess the quality of services offered by the various players
7.	The Electronic Media Act 1996	Mandate
8.	UCC statutory instrument (RCDF), 2002	Mandate
9.	UCC audited accounts (2009-2010)	Obtain the funding position
10.	Electronic media statute, 1996	Mandate
11.	The Uganda Gazette (March,2010)	Details of UCC merger with BC.
12.	UCC information fliers/brochures	To confirm awareness creation
13.	Telecommunications study report,2002	Background information of the auditee.
14.	Posts & Telecommunications review report 2010/11	Telecommunications price trends
15.	Uganda ICT Sector review report 2009/10	ICT Policy and regulatory issues.

APPENDIX II: Interviews Conducted

	Unit	Designation	Purpose of the Interviews
			To ascertain/get:-
1	UCC head office.	Executive Director	- Background information about the commission and how it is structured. - Roles and responsibilities of key players - Performance monitoring function. - The geographical spread of the commission's activities (implementation sites). - Challenges and their effects to the commission's operations. - Management plans to address the challenges.
	"	Director – Finance and Administration.	- UCC funding (sources and application). - Funds receipt, disbursement and accountability processes. - Challenges and suggested way forward.
	"	Director –Technology and licensing	- Frequency monitoring & planning - Quality of service regulation
	"	Director – Competition and corporate affairs	- Tariff regulation
	"	Director –Rural Communications	- Universal access programmes
	"	Director-Legal affairs	- UCC mandate & court cases
	"	Director-Broadcasting	- Broadcasting standards, content regulation & radio/TV licensing
	"	Director Internal Audit	- UCC's background information - Internal audit Reports.
	"	Manager Revenue	- Revenue sources and collection, debt management, revenue arrears.
	"	Manager expenditure	- Analyzed expenditure details
	"	Procurement officer	- Procurement plans - Current procurements and funding

2	MoICT Headquarters	Permanent Secretary/Accounting Officer	- Roles and responsibilities of MoICT. - UCC's mandate and coverage. - Challenges and possible solutions/ proposed way forward.
3	Other stakeholders	Chairperson	- Communications Consumer Association
4	Selected districts:		
	Gulu, Mbarara, Wakiso, Manafwa and Soroti	-Chief Administrative Officers (CAO's) -School head teachers -Heads of health units -District information officers	- An overview of UCC's activities in their respective districts and introduction of the audit team to the stakeholders as well as location of the implementation sites.

APPENDIX III: Table showing performance of operators against set targets

Operator	Performance/Parameter				
	Call block rate	Call drop rate	Good call rate	Network availability	Traffic channel congestion (TCH)
UCC Target	<2%	<2%	>95%	>95%	<0.5%
UTL	2.49%	4.56%	92.95%		
MTN	6.05%	5.01%	88.94%		
AIRTEL	25.05%	6.26%	68.68%		
WARID	25.84%	7.98%	64.92%		
ORANGE	3.34%	2.51%	93.74%		

Source: UCC QoS reports for 2009/10 and 2010/11

APPENDIX IV: Table showing status of district Web Portals

STATUS OF 47 DISTRICT WEB PORTALS				
ACCESSIBLE		INACCESSIBLE		
Operational and updated	**Operational but not updated**	**Out of service/ Non-existent**	**Access denied**	**Hacked**
Pallisa	Wakiso	Kayunga	Mityana	Kamuli
Kasese	Mbarara	Mubende	Soroti	Ntungamo
Kibaale	Gulu	Mbale	Manafwa	Hoima
Rakai	Apac	Kyenjojo	Oyam	Kabale
Nakapiripirit	Kalangala	Buliisa	Amuria	Kanungu
Masindi	Mukono	Lira	Isingiro	Bundibugyo
	Tororo	Kisoro	Abim	Sembabule
		Rukungiri	Kaabong	Kapchorwa
		Luweero	Budaka	Jinja
		Kumi	Nakaseke	Pader
		Moroto		Sironko
		Nebbi		Yumbe

6	**7**	**12**	**10**	**12**