



ANNUAL REPORT 2020



**Empowering Sri Lanka's Digitalization
& Eradicating the Digital Divide**

Telecommunications Regulatory Commission of Sri Lanka



TELECOMMUNICATIONS
REGULATORY
COMMISSION OF
SRI LANKA

ANNUAL REPORT 2020

EMPOWERING SRI LANKA'S DIGITALIZATION & ERADICATING THE DIGITAL DIVIDE

Inequality in access to the Internet and ICT and considered as the digital divide is fast becoming a key issue globally with the pandemic induced new normal. Therefore, it was essential to minimize the digital gap between communities from different socio-economic levels/geographic areas that have access to ICTs and those that don't have the opportunity to utilize ICTs. Addressing the digital divide was an imperative in realizing the vision of a Digitally inclusive Sri Lanka enabled by a smart society with a bold and ambitious digital transformation roadmap in motion.

Telecommunications Regulatory Commission of Sri Lanka (TRCSL) in collaboration with the telecommunications industry have been instrumental in promoting the adoption of ICTs and to transform Sri Lanka through the enablement of ICT across all facets of life. The year 2020 represented a unique opportunity for TRCSL to contribute to the key tenets and goals identified in ITU's "Connect 2030 Agenda" focused on enhancing meaningful connectivity and access to ICTs with an objective to support the concept of future digital economies and digital transformation of societies. The initiatives taken in this regard include rapid expansion plans for ensuring broadband access across the country as well as providing coverage for rural areas and ensuring affordable ICT access to critical segments such as the education sector in Sri Lanka.

As the COVID-19 pandemic has induced an accelerated approach of adoption of ICT, we as the telecom regulator Sri Lanka is committed and focused on enabling and empowering Sri Lanka's digitalization strategy and initiating novel measures in bridging the digital divide while ensuring the social, economic and environmental sustainability of the country.



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LIST OF ACRONYMS

ACCIMT	Arthur C Clarke Institute for Modern Technologies
APNIC	Asia Pacific Network Information Center
APT	Asia Pacific Telecommunity
ARPU	Average Revenue Per User
ASMS	Antenna Structure Management System
ASF	Antenna Structure Farm
BOI	Board of Investment
CERT	Computer Emergency Readiness Team
CID	Criminal Investigation Department
CSR	Corporate Social Responsibility
CTO	Commonwealth Telecommunication Organization
CWG	Council Working Group
DOA	Department of Agriculture
DTH	Direct to Home
FAO	Food and Agriculture Organization
GCI	Global Cybersecurity Index
GND	Grama Niladari Division
GMDSS	Global Maritime Distress Safety System
HFDf	High Frequency Direction Finding
ICT	Information & Communication Technology
ICTA	Information and Communication Technology Agency
ILAC	International Laboratory Accreditation Cooperation
IMT	Institute Mine Telecom
IMEI	International Mobile Equipment Identity
ISP	Internet Service Provide
IT	Information Technology
ITOL	International Telecommunication Operators Levy
ITU	International Telecommunication Union
JICA	Japan International Corporation Agency
KYC	Know Your Customer
LT	Lotus Tower
MFR	Master Frequency Register
MOA	Ministry of Agriculture
NIA	National Information Agency
NAITA	National Apprentice and Industrial Training Authority
NFAT	National Frequency Allocation Table
NVQ	National Vocational Qualification
OLAC	Outgoing Local Access Charges
OTP	One Time Password
OTT	Over The Top
PABX	Private Automatic Branch Exchange
PCU	Project Consultancy Unit
PPP	Private Public Partnership
PSTN	Public Switching Telephone Network
QOS	Quality of Service
RMC	Regional Monitoring Centers
RMS	Remote Monitoring Stations
RTE	Radio Terminal Equipment
RTTE	Radio and Telecommunication Terminal Equipment
SATRC	South Asian Telecommunications Regulators' Council

SAFIR	South Asian Federation for Infrastructure Regulation
SDG	Sustainable Development Goal
SED	Small Enterprises Development
SIM	Subscriber Identity Module
SLBC	Sri Lanka Broadcasting Corporation
SLIDA	Sri Lanka Institute of Development Administration
SLLRDC	Sri Lanka Land Reclamation and Development Corporation
SME	Small and Medium Sized Enterprises
SMS	Short Message Service
TL	Telecommunications Levy
TDC	Telecommunication Development Charges
TRCSL	Telecommunications Regulatory Commission of Sri Lanka
TSO	Telecommunications System Operators
TVEC	Tertiary & Vocational Education Commission
UDA	Urban Development Authority
URL	Uniform Resource Locator
VAS	Value Added Service
VTC	Vocational Training Centers
WTISD	World Telecommunication and Information Society Day

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HIGHLIGHTS OF THE YEAR 2020



Launch of Connect Sri Lanka National Project “Gamata Sannivedanaya”



Initiation of Road Map for a new Licencing Framework



Introduction of innovative initiatives such as 5G Trials, Number Portability, IPV6 Implementation



Reinitiation of Digitalization of TV Transmission



Introduction of Radio and Telecommunications Terminal Equipment Rules (RTTE)



Issue rules and regulations to monitor the Quality of Service of voice & data broadband services



Initiation of Undersea Submarine Cable Resilience Program



Streamlining of SIM registration & IMEI verification process



Initiation of Telecommunications Tower Technician Program



Initiation of Local ICT Volunteer Program



Enabling free access to official e-learning platforms of schools and state universities



Initiation of the Digital Transformation Drive of TRCSL

MESSAGE OF HIS EXCELLENCY THE PRESIDENT



Sri Lanka's telecommunications sector, which has made considerable progress this year, is set for further rapid growth to meet the overall national digitalization goals, enabled and empowered by the regulator. I am pleased to note that the Telecommunications Regulatory Commission of Sri Lanka (TRCSL) has initiated necessary strategic action as well as timely regulatory measures in line with Government's policy document **"Vistas of Prosperity and Splendour"** for the development of the sector, especially in expanding connectivity in the country.

To realize the vision of a digitally inclusive Sri Lanka enabled by a resilient future digital economy, universal connectivity and affordable broadband access is pivotal. The "Connect Sri Lanka" project initiated by TRCSL under my direction, would be a significant step towards enabling rural connectivity. This is being achieved with the investment of telecom development funds (TDC) for acceleration of island wide broadband connectivity, in line with the ITU Connect 2030 agenda.

To remain competitive globally as a nation, it is imperative that technology be integrated across every sector of the country's economy and particular attention given to education, ensuring student access to technology.

The Covid-19 pandemic has enabled a dramatic acceleration in the need for adoption of ICT impacting every aspect of life. The regulator's traditional role has evolved making the regulator more a catalyst for growth and an enabler of harmonization of the telecommunication sector, which incidentally is key for the realization of the National Digital Transformation vision. Furthermore, with the global pandemic having exposed the tremendous digital

divide within countries, affordability of services must be prioritized in tandem with coverage expansions to realize true digital inclusivity concomitant with improving digital literacy.

To minimize the Digital Divide, as noted earlier, our government launched the ambitious National project "Connect Sri Lanka - Gamata Sannivedanaya" where the primary objective is to achieve 100% island wide 4G/Fiber broadband connectivity. Also, focus on 5G technology rollout is critical for enabling key elements of the Smart Sri Lanka concept based on 5G technology that will enable utilization of IoT technology for industrial automation, Smart city enablement, and the adoption of e-healthcare, e-governance, e-commerce, and aggrotech solutions in the future. I am happy to note that TRCSL has commenced initial 5G trials through all mobile operators this year with the focus of future 5G commercialization.

It is also commendable that the regulator has successfully introduced universal free-of-cost access to the e-Thaksalawa e-learning platform utilized by government schools. Free access to the e-learning System utilized by the state universities through Lanka Education and Research Network (LEARN) is also a reality with the assistance and contribution of the telecommunication service providers, as a national cause. We thus become one among the first countries to extend the concept of free education even to online digital e-learning facilities.

To enhance the efficacy of the regulatory environment, amendments to the Telecommunications Act has been initiated. Further, preparation of a comprehensive roadmap for spectrum management and a new licensing framework in consultation with the ITU; introduction of Radio and Telecommunications Terminal Equipment Rules to ensure a healthy digital environment in terms of streamlining import of devices and to encourage future local production of mobile devices; and issuance of rules and regulations to monitor Quality of Service are highlights of TRCSL's key policy initiatives. The initiation of a broader undersea submarine cable resilience and a framework to ensure protection of the country's submarine cable eco-system providing global connectivity are the other components of the policy initiative portfolio.

Steps already initiated to streamline SIM registrations and IMEI verification process would enable a safer environment for the public.

Initiation of a telecommunications tower technician programme to enable local youth with skills to engage in the telecommunications industry and the ICT Volunteer programme will enable required capacity development essential for growth in the sector.

I also like to highlight TRCSL's own Digital Transformation drive in line with the government vision of digitally enabling citizen services. It is salutary that the TRCSL has successfully transformed almost all its organizational functions to be one of the first public institutions to launch complete online services.

The strategic initiatives and regulatory functions of the TRCSL in the year under review have contributed

significantly towards the realization of the national digital transformation roadmap as well as addressing the digital divide. These initiatives have enabled communities across the country with connectivity through the telecommunications industry being empowered holistically.

I am confident that the TRCSL will continue to keep up the positive momentum and the industry growth-oriented focus coupled with a strong regulatory approach in the years to come and wish it every success in meeting the challenges of the future in enabling a digitally inclusive Sri Lanka driven by technology.

Gotabaya Rajapaksa
President of the Democratic Socialist Republic of Sri Lanka

CHAIRMAN'S MESSAGE

It is a pleasure to forward the Annual Report of the Telecommunications Regulatory Commission of Sri Lanka (TRCSL) for the year 2020.

Focusing on the Government's vision of creating a Smart Sri Lanka, TRCSL being the regulator of telecommunications has prepared a well-articulated plan that further harmonized with the International Telecommunications

Union's agenda of "Connecting All to a Better World". It is expected to fulfill this global vision with five strategic goals: Growth, Inclusiveness, Sustainability, Innovation, and Partnerships.

The Commission has been successful in many aspects of its functions and programs this year. Concentrating on the growth telecommunication industry, TRCSL has launched an ambitious national project called "Gamata Sannivedanaya" which translates to "Connect Sri Lanka" where the primary objective is to achieve 100% 4G/Fiber broadband connectivity across all areas of Sri Lanka without any exception. TRCSL has further set in motion the next steps in the 5G technology rollout which is critical for enabling key elements of the Government's vision of digitalization. This includes the creation of a knowledge-based economy through a Smart Sri Lanka. 5G technology would be key in the operation of IoT technology for industrial automation, Smart city enablement, and the adoption of e-healthcare and aggrotech in the future. TRCSL has commenced initial 5G trials through all mobile operators in February 2020. Furthermore, initiatives have been taken to preparing a national 5G spectrum policy and strategy in moving towards implementation of commercial 5G services in Sri Lanka.

It has been agreed with all the operators to initiate the Mobile and Fixed Number Portability service which would provide the required mobility for the consumer to switch service providers by retaining the mobile number currently being used. The technical deliberations in this regard are in progress.



IMEI Number Management Project is another critical initiative taken by the TRCSL to curb the substandard products (fake or smuggled mobile equipment etc.) entering to the market.

TRCSL has also set up special projects for bridging the digital divide in its long-term plans. First-ever complete free access to online e-learning platforms (e-Thaksalawa, LMS of universities etc.) has been established for all

Government schools and universities through Lanka Education and Research Network (LEARN) with the support of the telecommunication industry especially during the COVID-19 crisis and beyond.

From a regulator perspective, the current structure provides a healthy environment where a telecommunications industry must not be pushed towards a monopolistic environment. As far as the industry viewpoint is concerned, the current composition of telecom operators is expected to provide a healthy competitive environment and drive the best possible market forces for gaining the optimum value propositions for consumers.

The Lotus Tower would also be a pivotal element in the TRCSL's long term plans where the commercial operations will be commenced in early next year. The Lotus Tower is expected to be positioned as an 'Epicercenter of Technology' as well as a center of other attractions.

I wish TRCSL all the success and fulfillment of its goals towards strengthening and developing our nation.

A handwritten signature in blue ink, appearing to read "J. de Silva".

Jayantha de Silva
Secretary to the Ministry of Technology
Chairman of the Telecommunications Regulatory Commission of Sri Lanka

WHO WE ARE?

Telecommunication Regulatory Commission of Sri Lanka

Origin

The telecommunications sector was at first a state venture and the liberalization of this sector started with the bifurcation of the Posts and Telecommunications Department in 1980. Thereafter the Department of Telecommunications was converted to a corporation and regulation was introduced in 1991. Thus, the Sri Lanka Telecommunications Authority (SLTA) was created by an Act of the Parliament in 1991 and it was later converted to a Commission which is its present state.

The Telecommunications Regulatory Commission of Sri Lanka (TRCSL) is a statutory body established under the Sri Lanka Telecommunications (Amendment) Act No. 27 of 1996, which was enacted to amend the principal Act namely, the Sri

Lanka Telecommunications Act No. 25 of 1991. In this report the term 'Act' denotes the Sri Lanka Telecommunications Act No. 25 of 1991 as amended by Sri Lanka Telecommunications (Amendment) Act No. 27 of 1996 and the term Commission denotes the Telecommunications Regulatory Commission of Sri Lanka.

The enacted Act No. 25 of 1991 as amended by the Act No. 27 of 1996; the Telecommunication Regulatory Commission of Sri Lanka (TRCSL) is the Government competence authority to handle telecommunication regulatory matters in the country. The Commission is empowered by the Act to uplift the telecommunication services in Sri Lanka while ensuring the interest of consumers and the operator.

The Commission

The Commission consists of five members and the Secretary of the Ministry of Technology is Ex. Officio the Chairman of the Commission.

The Director General of TRCSL is the Chief Executive Officer who is also a member of the Commission.

There were three appointed members who possessed recognized qualifications and have distinguished themselves in the field of law, finance and management respectively.



Vision

"To be recognized as a world leader in an advancing communication industry through scientific and regulatory excellence."



Mission

"Ensure timely delivery of the service nationwide at an acceptable quality and affordable cost through promotion of fairness and justice in a competitive market through a skilled and ethical workforce."

Interpretation of the Mission Statement

To ensure availability of advance and high-quality communication technology services to all users at just, reasonable and affordable price by working with all stakeholders in an independent, open and transparent manner to create a regulatory environment that promotes fairness, competition and investments, thus assuring the fulfilment of Sri Lanka's long-term communication needs.

Objectives

As per Telecommunication Act the general objectives to be achieved by TRCSL are given below:

❖ Processing applications and granting of licensing.

- Licenses to operate telecommunication systems in Sri Lanka under section 17 of the Act.

According to Section 17 of the Act, no person shall operate a telecommunication system in Sri Lanka except under the authority of a license granted by the Minister on the recommendation of the Commission. However, there are some exemptions from licensing requirements and these exceptions are stipulated in Section 20 of the Act.

- Licenses for the use of radio frequency and radio frequency emitting apparatus under Section 22 of the Act.

As per the Section 22(1) of the Telecommunication Act, no person shall use any radio frequency or any radio frequency emitting apparatus in Sri Lanka or any part of the territorial waters of Sri Lanka or any ship or aircraft registered in Sri Lanka, except under the authority of a license issued by the Commission for that purpose.

- Vendor license under Section 21 of the Act.

According to the Section 21(1) of the Act no person shall by way of trade, manufacture, import, sell, offer for sale, deal in, transfer, hire, lease, demonstrate, maintain and repair any telecommunication apparatus, except under the authority of a license issued by the TRCSL.

❖ Tariff Regulation

- Determine tariff in consultation with the Minister as specified under the Section 5(k) of the Act, according to which the Commission has power to determine in consultation with the Minister, the tariff or methods for determining such tariff, taking into account Government policy and the requirements of the operators in respect of the telecommunication services provided by the operator.
- Approval/Determination of interconnection charges in term of 5(1) of the Act.

❖ Monitoring and ensuring compliance with the Act, (including rules and regulations made there –under) and licenses by the licensed operators.

❖ Monitoring and ensuring proper utilization of the radio frequency spectrum and management of radio frequency spectrum in Sri Lanka.

❖ Responding to consumer complaints and holding inquiries/ conducting investigations.

According to the Section 9(1) of the Act, when a subscriber or a member of public makes a complaint to the Commission in relation to the telecommunication service provided by an operator, the Commission may make such investigations as it may deem necessary and shall cause such remedial measure to be taken as the circumstances of the case may require. Section 9(2) of the Act states that in the course of any investigation under Section 9(1) the Commission may direct such operator to take such steps as appears to

be necessary for the rectification of any cause or matter which gave rise to the complaint, and direct that financial redress to be provided where deemed appropriate.

- ❖ Setting up quality of service standards to ensure quality and variety of telecommunication services.
- ❖ Represent the Government in International Conferences and Foreign bodies who are concern with telecommunication operations.

- ❖ Issuance of Orders, Directions by the Commission.

TRCSL has followed a transparent policy in issuing orders, directions or decisions. Greater opportunity was offered to the industry participants, consumers and other interested parties to attend and be represented at public hearings and other forums.

- ❖ Specifying technical standards for telecommunication apparatus and type approval.

Inter Divisional Collaboration

There are several divisions/units to carry out the functions of TRCSL. The main functions and the performance of the divisions/units in the year 2020 are described in the respective sections of this report. It should be especially noted that although certain activities have been listed under a specific division/unit, such activities have been carried out by that specific division/unit with the support of other divisions/units.

Future Direction of TRCSL

- Amendment of Section 17 licence guidelines, preparation of road map for a new and current licensing framework, renewal of Section 17 licence applications, issuance of network approvals for operators, and revising of licence fee structures are scheduled to be completed under license management.
- Implementation of a comprehensive tower reconciliation process to address current anomalies, Preparation of the IPv6 roadmap considering international best practices, Reviewing the existing numbering plan and introduction of the toll-free number services, Implementation of Number Portability, Monitoring the operations of Cable TV service, Setup vendor licence procedure and equipment clearance process, Upgrading antenna management structure under the Network Affairs.
- To update the existing IMEI verification system, the establishment of an integrated spectrum management and monitoring system, preparation of a spectrum roadmap and 5G development strategy, initiation of digital video broadcasting, introducing a radio spectrum licensing rule framework & revision of spectrum fees, streamlining approval systems with Government agencies through integration, implementation of RTTE rules and preparation of National Frequency Allocation Table are highlights of key initiatives expected under the Spectrum Management vertical.
- To implement interconnection approval of the Commission and conducting a process to determine the commercial rates of interconnections when needs arise, streamlining interconnection disputes/competition issues, timely collection of tax and levies, processing of visa recommendations for foreign experts/ workers for the telco industry, collecting and analyzing industry statistics and submission of statistical information to local and international authorities, analyze of telecommunication industry performance, promote operators to maximize utilization of local resources, processing and initiating new tariff proposals/handling tariff-related industry issues, calculating tariff-related ICT indicators and benchmark studies, issuance of determinations for the telecommunications industry, driving the “Gamata Sannivedanaya” project for the development of infrastructure facilities in rural areas and reducing digital divide, Telecommunications & ICT e-waste

management program directed under Competition areas.

- In terms of compliance activities, ensuring operators adhere to stipulated Quality-of-Service parameters, introduction of formal new quality of service parameters, monitoring the adherence to the conditions of the licences and initiating necessary regulatory measures, conducting awareness to the general public, monitoring and taking necessary regulatory measures on unapproved tariffs & non-approved equipment, monitor, inspect and take necessary measures on sim registrations, streamlining the importation of IMEI enabled devices to the country, conducting and handle consumer complaints activities are key areas of future focus.
- Expected to conduct telecommunication research studies with the support of local universities, conduct local ICT volunteer and tower technician programs to revitalize local industries which support the telecommunications industry, initiating WTISD awareness initiatives, arranging collaborative activities with the assistance of international organizations & regulatory bodies, hosting

international conferences, completing telecom regulatory surveys and questionnaires, coordinating international advanced training. Moreover, formulation of amendments/ new Act to meet the rapid development of the industry.

- Execute the streamlining of the Scheme of Recruitment to ensure that core competencies are acquired to drive the regulatory commission towards a future digitally enabled industry and development of human resources accordingly, infrastructure development, completing corporate affairs & planning activities as part of administrative affairs. Under Information Technology, to establish a formal IT department which is nonexistent not albeit an IT unit and initiate ICT capacity building for the staff, initiate ICT system implementation and process automation projects through a well-articulated digital transformation strategy for the organization. And implementation of a new PABX system, enterprise network/server architecture and mobile device type approval and upgrade IMEI registration systems. In terms of special projects areas plan are in motion to commercialize the Colombo Lotus Tower and complete the new HQ building infrastructure.

CHAIRMAN & MEMBERS OF THE COMMISSION



Mr. Jayantha de Silva
Chairman

Mr. Anil Meegahage
Member of the Commission

Mr. Oshada Senanayake
Director General

Mr. Ruwantha Cooray
Member of the Commission

Mr. Chaaminda Kumarasiri
Member of the Commission

Mr. Jayantha de Silva
Chairman

Over 40 years of experience in the tech industry with extensive exposure in national policymaking and strategies for knowledge services, with hands-on experience in large projects globally.

Currently serving as Secretary to the Ministry of Technology of the Government of Sri Lanka.

He served as Chairman and a Board Director of the Information and Communication Technology Agency (ICTA) of Sri Lanka. A founder member and former Chairman of the Sri Lanka Association of Software and Service Companies (SLASSCOM), former Chairman of the Software Exporters Association, Chairman of British Computer Society (BCS) Sri Lanka and a member of the Board of the University of Colombo School of Computing (UCSC). Served in the advising panel to the Government of Sri Lanka in the formulation of national-level policies related to the ICT industry of Sri Lanka.

Co-founder and Managing Director of IFS Sri Lanka Ltd, served as the President and CEO IFS Sri Lanka. Twice won the most valued player of IFS.

A Post Graduate Diploma holder from the International Statistical Programs Center, Washington DC; Fellow (FBCS) of the BCS, the Chartered Institute for IT and a Chartered IT Professional (CITP). Recipient of the ICT Lifetime Achievers' Award/Most Outstanding Contribution Award for services to the software industry in Sri Lanka, awarded at the National Best Quality Software Awards in 2011.

Mr. Oshada Senanayake
Director General

Mr. Oshada Senanayake is the Director General of the Telecommunications Regulatory Commission of Sri Lanka as well as a board member of ICTA & SL CERT, Sri Lanka's apex bodies for cyber security & digitalization respectively. Oshada previously headed multiple startup ventures which included a diversified portfolio which focus on technology, facility management and an Airbnb chain amongst other business interests such as research on smart battery technology.

Oshada Senanayake comes with a wealth of experience in previously heading Pyxle, a premier IT & Digital Services company in Sri Lanka engaged by a majority of blue chips in the country in driving forward its digital strategies. Oshada was also instrumental in the eventual merger of the organization with Tavistock Group, a global private investment entity. Oshada has extensive knowledge in acquiring and working with Fortune 100 clientele in the IT front in the US and Europe, bringing in a blend of technology expertise as well as industry insights in growing organizations from startups to mature businesses.

With strategizing and building partnerships as his core skill, Oshada consults and mentor's multiple technology-based startups, being at the forefront of executing many successful digital transformation strategies predominantly in the banking, finance sector and blue chips in Sri Lanka. Oshada was based in the US & UK prior to establishing himself in Sri Lanka.

Some of his educational achievements include an MBA from AIB Australia and a Bachelor's from the University of Northumbria in Newcastle.

Oshada was also invited by the Institute of Director's India to be a key panelist at the Bombay Stock Exchange Annual Forum 2018 with a theme of digitizing organizations. Oshada was also a panelist and a keynote speaker at the National IT Conference 2018 & 2020 in Sri Lanka elaborating on the discussion of "Our Digital Lives".

Oshada is also a visiting lecturer for University of Bedfordshire at the Oxford School of Business for post graduate MBA students and shares his knowledge of areas of Strategic Management, Digital Marketing & IT Governance.

Beyond his professional life, Oshada is passionate about giving back to the community and is a founding member of the Senera Sisu Saviya Foundation providing educational assistance to children from rural areas with continuous long-term assistance. The latest project provided school packs for 150+ students from rural schools for readiness to get back to school for the year 2020.

Mr. Chaaminda Kumarasiri
Member of the Commission

FCA, FCCA, ACMA, FMAAT, MBA, B.Sc. Accountancy (Sp.) 1st Class Hons.

Chaaminda is a Senior Chartered Accountant, Corporate Trainer, Leadership Coach, Management Consultant and a Financial Advisor with a wealth of knowledge and over two decades of experience in the corporate sector, holding senior leadership positions in leading local blue-chips and multinationals.

Chaaminda possesses an array of professional and academic qualifications with many awards and medallions. He is a Fellow member of The Institute of Chartered Accountants of Sri Lanka, The Association of Chartered Certified Accountants - UK and The Association of Accounting Technician of Sri Lanka. He is also an Associate member of The Institute of Certified Management Accountants of Sri Lanka. He has obtained a B.Sc. Accountancy (Special) degree from the University of Sri Jayewardenepura with a First Class and completed his MBA in Finance at the University of Colombo.

He currently serves as a member of the Governing Council of the Institute of Chartered Accountants of Sri Lanka; the National Body of Accountants and also serves a few Companies and national bodies as an Advisor/Director. He has also been appointed to the International Panel of Accounting Education of International Federation of Accountants, as the only representative from the entire South Asia.

Mr. Anil Meegahage
Member of the Commission

Mr. Anil Meegahage is the Director of Sri Lanka Insurance, Further, he has been appointed as a Commission member for TRCSL.

Anil was the Snr Executive Vice President / CEO of EAP Holdings and Director EBC TV/Radio /EAP Films. He was the former Country head for Samsung Mobile in Sri Lanka during the year 2012 and 2013

Previously, he was the Director Sales and International business of Hemas consumer goods, for Sri Lankan and International Business. Responsible for LKR 10 billion turnover. Directly overlooking the Sales operations, Distribution, Customer Marketing, International Business, and Sales Management team. 235 sales team and 108 distributors came under the sales management function.

Previously headed one of the largest sales teams in the country at Sri Lanka Insurance as the General Manager overlooking Branch network, sales and marketing, and overall 5000 Sales team and 1200 staff.

Anil has over 20 year's corporate experience at Unilever Sri Lanka, having joined Unilever in 1988, held many leadership positions such as Sales Executive, Sales Administration Manager, Area Sales Manager, and Trade Category manager looking after Home and personal care, and move on to Modern trade as the Trade Activation Manager. After working in Vietnam Unilever became the Channel Development and Trade marketing manager for Home and personal care categories and heads the pharmacy and cosmetic channel at Unilever.

Professionally holds MBA and reading for a Ph.D. in Colombo University, also has a Professional Post Graduate Diploma in Marketing (DipM MCIM), The Chartered Institute of Marketing, UK. Have more than 12 years of lecturing experience for CIM and ICASA Students.

Mr. Ruwantha Cooray
Member of the Commission

Mr. Ruwantha Cooray is an Attorney-at-Law by profession, who holds a Bachelor of Laws (LL.B.(Hons)) degree from the University of Leicester and in a Barristers-at-Law (Lincoln's Inn).

He has extensive experience in various aspects of Commercial law, Contract law, Intellectual Property law and is in active practice as senior legal counsel with an illustrious career experience as a legal professional. He also serves as the Legal Consultant and Convenor of the Cabinet appointed Law Reform Committee on Digitization and Court Automation.

Mr. Cooray who has distinguished himself in the field of Law was appointed as a Member of the Commission in December 2019. He is also a member of the Audit Committee at TRCSL. He has contributed on several legal and regulatory matters at the Commission.

SENIOR MANAGEMENT TEAM OF TRCSL



Mr. Helasiri Ranatunga
Director - Networks

Mr. Helasiri Ranatunga joined TRCSL in 1998. He holds a B.Sc. (Eng.) Honors Degree in Electronics and Telecommunication Engineering from the University of Moratuwa and an MBA in Information Technology from the University of Moratuwa. He is a Chartered Engineer of the Institution of Engineers, Sri Lanka (IESL). After graduation in 1986, he has joined Independent Television Network and held several key engineering positions. During 12 years of his career at ITN, he took the leadership in several transmission expansion and studio & control room upgrade projects in the Broadcasting Institute.

In his over 22 years of the carrier at TRCSL, he held several senior positions in the Regulatory Commission. He played a very active role as the Project Manager on the implementation of the Radio Frequency Management and Monitoring System of TRCSL. He led the Spectrum Management Division of TRCSL for several years. Prior to assuming duties in his current position as the Director Network he performed duties as the Director Licence Management for few years.

During his career, he has gained extensive knowledge in the telecommunication regulatory

sector by attending several international training programs, workshops and seminars. He represented the organization in several World Radio Communication Conferences and other global telecom regulatory meetings organized by the International Telecommunication Union.



Mr. H.P. Karunarathna
Director – Spectrum Management

Mr. H.P. Karunarathna joined the Office of the Director General of Telecommunications, the predecessor of TRCSL, as an Engineer in 1992. Before joining the telecom regulator, he spent over 7 years with the Department of Telecommunications, Sri Lanka.

He obtained the Graduate membership of the Institution of the Electronics and Radio Engineers, UK and registered as a Chartered Engineer with Engineering Council, UK in 1995. He holds a Master's Degree in Telecommunication Policy and Regulation from the University of West Indies.

In a career spanning over 30 years in the telecommunications sector, Mr. Karunarathna has gained multidisciplinary exposure in the fields of engineering, management, international relations, telecommunication

regulations, licensing and radio spectrum management.

He has held several senior positions at TRCSL including the Director/ License Administration, and Director/ Spectrum Management Director/Networks. At present, he holds the position of Director/Spectrum Management at TRCSL.

The Spectrum Management Division of TRCSL has the primary mandate of managing all the Radio communications services in Sri Lanka. These involve planning, assigning, monitoring, keeping the database of civil and military frequency usage. Mr. Karunarathna, being the head of Spectrum Management Division, is responsible for fair, equitable, and transparent procedures and conditions for the allocation and assignment of spectrum ensuring innovative and efficient use of the radio spectrum.

He is a Fellow member of the Institution of Engineering Technology (IET) of the UK and serves as an International Professional Registrations Advisor for the IET.



Mr. M K Jayasekera
Director - Policy & international Relations (Retired)

Mr. Jayasekera joined TRCSL in 1994 after a seven-year stint at the Ceylon Institute of Scientific and Industrial Research (CISIR) presently ITI. He has been with the

regulator for over 26 years except for the two years he worked as an Advisor to the Public Utilities Commission of The Bahamas on an assignment through the Commonwealth Secretariat in London from 2001 - 2003. He holds a first degree in Electronics and Telecommunication Engineering from the University of Moratuwa, a Master's in Computer Science, University of Colombo and a Post Graduate Diploma in Management Science from the University of Sri Jayewardenepura. He is a Chartered Engineer and a Member of IESL and IET (UK). He was the author of the International Telecommunication Union (ITU) report on "Strategies for the promotion of broadband services and infrastructure: A case study on Sri Lanka".



Mr. M K Jayantha
Director Finance

Mr. Jayantha has joined TRC in 2013. He holds a Bachelor of Commerce degree from the University of Sri Jayewardenepura and also, he is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka, Associate member of the Chartered Public Financial Accountant of the UK, Fellow member of the Certified Management Accountant of Sri Lanka, & Associate member of the Cost & Executive Accountants of UK.

Prior to joining TRCSL, Mr. Jayantha counts over 17 years of

Finance & Administration experience in the private sector holding senior positions such as Group Financial Controller, Manager Finance & Administration & Chief Financial Officer in many reputed manufacturing, trading & service organizations in Sri Lanka.



Mrs. Tharalika Livera
Acting Director – Compliance & Investigation

Mrs. Tharalika Livera joined the Telecommunications Regulatory Commission of Sri Lanka, previously Office of the Director General of Telecommunications in 1994 as an Engineer and counts over 26 years of multidisciplinary experience in the telecommunication regulation and currently holds the position of Director – Compliance & Investigation (Actg.) at Telecommunications Regulatory Commission of Sri Lanka.

She holds BSc Engineering (Electrical & Electronics) from University of Peradeniya, Sri Lanka and Masters of Electronics & Telecommunications from the Sheffield Hallam University, United Kingdom.

Mrs. Livera is a Chartered Engineer of the Institution of Electronics and Technology, United Kingdom and a Member of the Engineering Council, United Kingdom.

She holds the Vice Chairmanship of the Policy and Regulatory Forum of Asia Pacific Telecommunity for South Asia and

served as Vice Rapporteur for Broadband Studies in the International Telecommunication Union Study Group - 1.

During her career, she has gained extensive national and international experience on telecommunication policy and regulation, which had been useful for the regulator to implement strategic decisions.



Mr. E.N.P.K. Ratnapala
Acting Director – Licence Management

With a career spanning over 26 years as a professional Engineer in the Regulatory Sector of Telecommunication Industry in Sri Lanka, Mr. Nihal Ratnapala has gained extensive exposure in the field of Radio Frequency Spectrum Management and had been instrumental in major developments in radio communication industry including Sound and Television broadcasting Sector.

He has earned BSc Eng. (Hons) Degree from University of Peradeniya and Master of Engineering (MEng) Degree from University of Moratuwa specializing in Electronic and Telecommunication. He is a Chartered Engineer registered in Engineering Council (UK) and a member of Institution of Engineering and Technology-IET (UK). He is also a Member of the Institution of Engineers Sri Lanka (IESL).

His current portfolio as Acting Director (LM) spans telecommunication system Licence Management which steer the entirety of telecom service provision in the country. He has gained extensive industry related knowledge and exposure from many international organizations since 1994 and had been a member of Sri Lankan Delegation to World Radiocommunication Conference (WRC) held by Telecommunication Union (ITU) Geneva Switzerland on many occasions and represented Sri Lanka in other Regional Regulatory Activities representing Sri Lanka.



Ms. K.S.M. Vishakha
Acting Director - Policy & International Relations

Ms. K.S.M. Vishakha joined TRC (then Office of the Director General of Telecommunications) in 1994. She holds a B.Sc. (Eng) Honours Degree in Electrical & Electronics Engineering from the University of Peradeniya and M.Eng. in Telecommunications from the University of Moratuwa. She is a Chartered Engineer of the Institution of Engineering & Technology (The IET) of UK and a Chartered member of Engineering Council UK.

She is currently holding the position of Director (Actg.) – Policy & International Relations of TRC. She counts over 26 years of experience in the field of telecommunications and regulations of TRC. She has served

many years in Spectrum Management and Network Divisions of the TRC in Deputy Director and Assistant Director positions and has extended her knowledge and experience for many key projects of TRC during this period. She represented the country in World Radio Conferences (WRC) of International Telecommunications Union (ITU) and many other international meetings of ITU and Asia Pacific Telecommunity (APT).



Eng. J.A.S. Gunanandana
Acting Director – Special Projects

Eng. J.A.S. Gunanandana graduated from the University of Moratuwa in 1994 and, after a brief stay in the private sector, he joined TRCSL in 1998 as the Assistant Director/ Interoperability. He furthered his postgraduate educations and was awarded Post Graduate Diploma in Information Management from Sri Lanka Institute of Information Technology and master's in science from Sri Lanka Institute of Information Technology.

Eng. Gunanandana is a Chartered Engineer and corporate member of the Institute of Engineers Sri Lanka, corporate member of Sri Lanka Engineering Council, member of Institute of Electrical and Electronics Engineers, United Kingdom.

He has dedicated his services to Mother Sri Lanka during the last 26 years in which, he has served as

an Engineer in General Sales Company where greater Colombo hospitals were empowered with top-level electronic medical equipment and as a Project Engineer of Island wide Telecommunication improvement Project implemented under supplier credit program for Telecommunications Services Ltd, a subsidiary company of Sri Lanka Telecom. His distinctive services to the development of the telecommunication industry in Sri Lanka as the Assistant Director/ Interoperability include the formation of regulations, guidelines and processes to develop telecommunication sector and network rollout safeguarding the environmental, regulatory and social norms and rules, conducting awareness programs getting assistance from other related organizations such as Meteorological Department, Ministry of Health and Department of Sociology, the University of Kelaniya throughout the country to public and Government authorities on Telecommunication Network Development aspects. Eng. Gunanandana authored few books and printed materials on telecommunication related matters in simple layman language.

Eng. Gunanandana as the Deputy Director in Spectrum Management made significant contributions in developing Radio Spectrum Monitoring system for TRCSL, resolving radio frequency interference cases, mitigating unauthorized radiofrequency uses, assigning frequencies for the Telecommunication industry as well as Defence Services.

Eng. Gunanandana was appointed as the Acting Director Special

Projects in 2017 to manage all ongoing infrastructure development projects that include Colombo Lotus Tower, Kadirana Monitoring Complex, TRCSL Head Office Building and IT Park Hambantota are the key projects among other projects in recognition of his extensive experience in Project Management, Contract Administration, Spectrum Management, Telecommunication Network Development.

Eng. Gunanandana is a member of the Radio Frequency Assignment committee of TRCSL since 2011.

Eng. Gunanandana is very active in social services and volunteering and in recognition of his outstanding contributions to society the Ministry of Justice had appointed him as a Justice of Peace Whole Island.



Mr. Indrajith Handapangoda
Acting Director - Competition

Mr. Indrajith Handapangoda commenced his career as an Executive at one of Blue-Chip Companies in Sri Lanka in 1994 and joined to the middle management of TRCSL in 1998. Within his tenure of 23 years in Economic Affairs Division and Competition Division of TRCSL, he handled key regulatory functions such as Interconnection, Tariff, licensing, Surveillance. In 2002, He coordinated the consultation process for formulating strategies to liberalize the international

telecommunication segment of Sri Lanka and contributed for the implementation of formulated strategies. Mr. Indrajith handled the process of rebalancing the tariff of Sri Lanka Telecom in 2000,2001 and 2002. He played a key role in introducing interconnection Rules to the industry in 2003 and issuing interconnection determinations in 1999 and 2010. Out of the three Public Hearings conducted by TRCSL, in two such hearings, he served as a member in the Committee of Public Inquiry. Currently, he Chairs the Internal Committee of Resolution of Consumer Complaints (ICRCC).

Mr. Indrajith contributed being a Group Leader of South Asia Telecom Regulators Council's Working Group on Billing and Tariff for IP based services in 2008. In 2010/2011, he chaired the South Asia Telecom Regulators Council's (SATRC) Working Group on Network and Services. Representing the TRCSL, Mr. Indrajith attended SATRC meetings held in India, Pakistan, and Sri Lanka and actively participated ITU Study Group Meetings on different subject matters relating to the industry. During his career he gained extensive industry related knowledge and training from local and international institutes including a Certificate Course in Telecommunication Management conducted by the Cable and Wireless College in Coventry, UK.

He is a Fellow Member of the Chartered Professional Managers of Sri Lanka (CPM) and Life Member of Sri Lanka Economic association (SLEA). Mr. Indrajith holds two master's degrees in business administration (MBA) and Public Administration (MPA)

from the University of Colombo (Sri Lanka) and The Flinders University (South Australia) respectively and holds a Bachelor's degree in Economics (Honors) from the University of Sri Jayawardenapura.



Mrs. Ruwani Gooneratne
Acting Secretary to the Commission

By profession, Mrs. Ruwani Gooneratne is an Attorney-at-Law, who holds a Bachelor of Laws Degree from the University of Colombo.

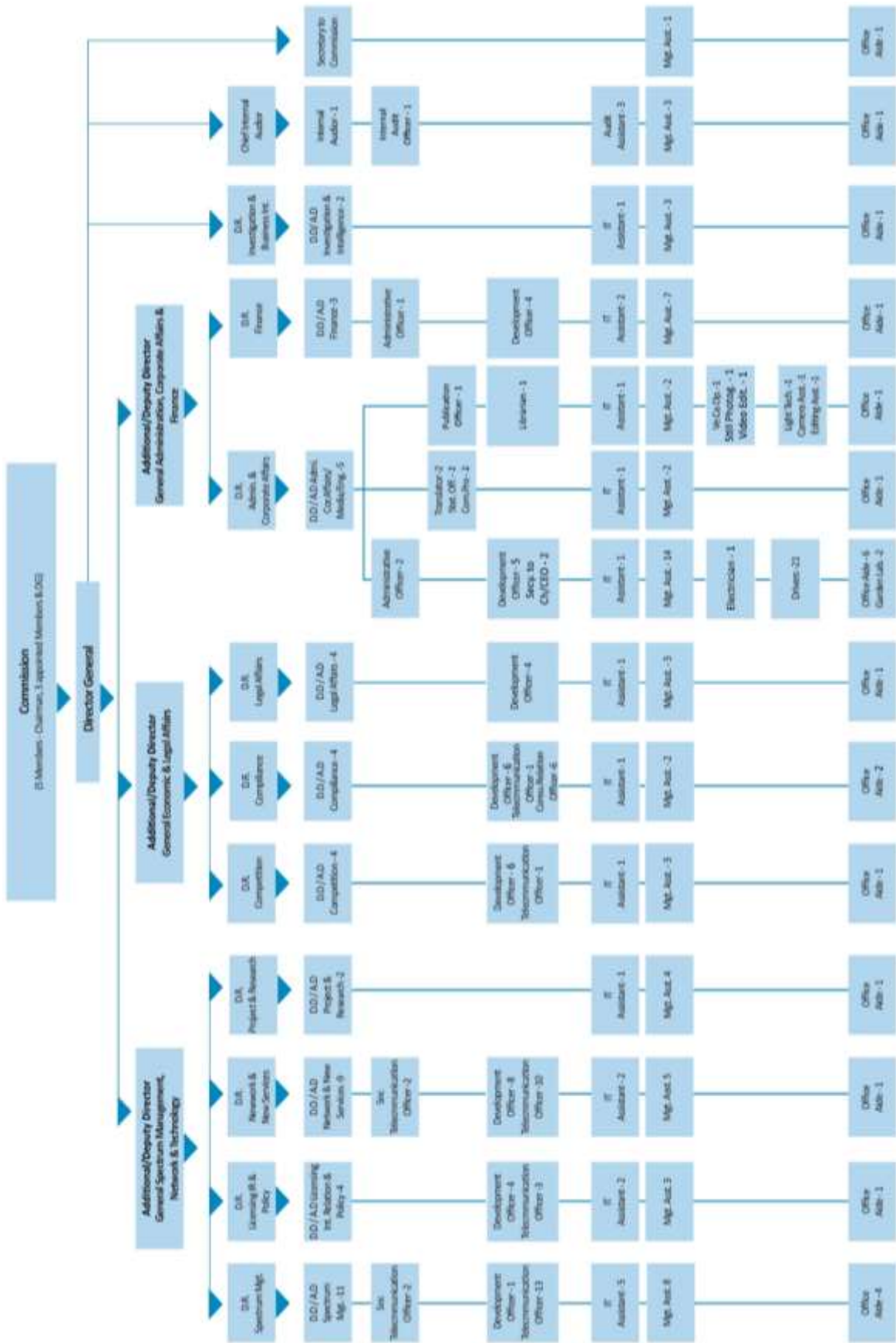
She is currently holding the position of Acting. Secretary to the Commission since 2011.

She serves in the Legal Division as it's Deputy Director which handles a variety of legal matters for the Commission. Besides, she provides very vital legal input for the formalization of organizational legal issues.

Her experience in the field of law counts over 26 years with 22 years of experience in the Telecommunications Regulatory Commission of the Sri Lanka Legal Division. She is a member of the Consumer Complaints advisory committee of the Commission.

Executive Officers

<p>Commission Office</p> <p>Mrs. Ruwani Gooneratne Acting Secretary to the Commission</p> <p>Licence Management</p> <p>Mr. E N P K Ratnapala Acting Director</p> <p>Compliance & Investigation</p> <p>Mrs. Tharalika Livera Acting Director</p> <p>Mrs. Menaka Pathirana Deputy Director</p> <p>Mr. D N Wijesinghe Assistant Director</p>	<p>Spectrum Management</p> <p>Mr. H P Karunarathna Director</p> <p>Mr. M C M Farook Deputy Director</p> <p>Mr. L Ganeshamoorthy Deputy Director</p> <p>Mr. M P Gunasinghe Deputy Director</p> <p>Mr. Shantha Gunanandana Deputy Director</p> <p>Mr. S E Wakista Deputy Director</p> <p>Mr. W A D T Madushanka Assistant Director</p> <p>Mrs. G H P Imali Prasanthika Assistant Director</p>	<p>Networks</p> <p>Mr. R G H K Ranatunga Director</p> <p>Ms. K S M Vishaka Deputy Director</p> <p>Mrs. S A R Kamalanayana Deputy Director</p> <p>Mr. I M Jawsu Assistant Director</p> <p>Mr. S W M R L B Senadheera Assistant Director</p>
<p>Policy & International Relations</p> <p>Mr. M K Jayasekera Director (up to 12-11-2020)</p> <p>Ms. K S M Vishaka Acting Director</p> <p>Mr. J K B Ratnayake Deputy Director</p>	<p>Competition Division</p> <p>Mr. H W K Indrajith Acting Director</p> <p>Mrs. Sriyani Mawellage Deputy Director</p> <p>Mr. Nishantha Palihawadana Deputy Director</p>	<p>Legal</p> <p>Mrs. G Moragoda Deputy Director</p> <p>Mrs. Ruwani Gooneratne Deputy Director</p> <p>Ms. S Rodrigo Acting Deputy Director</p> <p>Mr. I N Mathew Assistant Director</p>
<p>Special Projects</p> <p>Mr. Shantha Gunanandana Acting Director</p> <p>Mr. N D Geeganage Assistant Director</p>	<p>Internal Audit</p> <p>Mr. Saman Kithsiri Internal Auditor</p>	<p>Information Technology Unit</p> <p>Mr. M C M Farook Head of IT</p>
<p>Finance</p> <p>Mr. M K Jayantha Director</p> <p>Ms. L D Jayawickrama Assistant Director</p> <p>Mrs. Asanka Liyanage Assistant Director</p>	<p>Administration, Human Resources & Corporate Affairs</p> <p>Mr. V. Aruna N Premarathne Deputy Director</p> <p>Mr. J K B Ratnayake Actg. Deputy Director</p> <p>Mr. Y S P Gunarathna Assistant Director</p>	



Note: A Committee has been appointed to review the cadre, organization chart & Scheme of Recruitment.

CHIEF EXECUTIVE OFFICER'S REVIEW



With the rapid convergence of technology and the role of ICT expanding across all digitalization paradigms, the telecommunications industry in Sri Lanka has evolved as a key pivot and a highly valued sector in providing connectivity infrastructure which is the key dependency for a successful and sustainable digitalization drive. There is a multitude of factors that contribute to the progress of our sector. It is the responsibility of the Telecommunications Regulator to lead the growth of the sector by being a growth catalyst and an enabler with the support of all stakeholders and by embracing global regulatory best practices.

With the black swan event of the COVID-19 pandemic creating and inducing an environment of forced digitalization, the field of telecommunications is entrusted with ensuring the essential digital environment of today's citizens. A paradigm shift is required in addressing the change of patterns in the consumption of services that encapsulate a wide spectrum of life that includes work, education, home lifestyle, and leisure. Accordingly, the regulator has a major role to play in activating and empowering this industry with proactive steps and initiatives in ensuring that required rapid change is introduced to meet the demands of a new normal environment.

The Government's vision for a smart Sri Lanka is driven by the vision of a digital economy and the creation of a smart society. As the regulator, our priority is to establish and ensure telecommunication

and broadband connectivity throughout the country as a key catalyst for all digitalization initiatives as well as eradicating the current digital divide. Our regulations, policies, and plans for a future digital society are designed to be consistent and harmonized with the International Telecommunication Union's (ITU) global agenda "Connect 2030", with a focus on the five tenets of growth, inclusion, sustainability, innovation and partnership which would ensure the achievement of UNGA sustainable development goals for the telecommunications sector.

The Telecommunications Regulatory Commission of Sri Lanka (TRCSL) in its regulatory functions in the year 2020 carried out significant regulatory activities focusing on the areas of Licensing, Management, Network Operations, Spectrum Management, Competition, Compliance, Legal, Policy and International Relations.

There are several divisions/units established to carry out functions of the TRCSL. It is to be noted that most of the activities have been carried out with the support of a high level of collaboration and cohesion within the divisions/units. The Commission held eight board meetings within the year to address matters relating to legal, regulatory, technical, and administrative aspects. The Commission was successful in completing a multitude of activities both strategic and regulatory in nature and progress within the year is detailed as follows.

The Guidelines and Procedures for Issuing, Renewal and Modification of licenses: As a result of inefficiencies and issues identified in the existing legacy licensing guidelines procedures, formal initiatives were taken to review and amend the existing license management procedures. Accordingly, a committee has been appointed in this regard. The proposed new Licensing Guideline and Procedures are being prepared by the Licensing Management Division, incorporating licensing aspects such as Issuance, Renewal, Modification, Revocation and Transfer of Ownership. On completion the appointed committee is expected to review and make required recommendations and initiate formalization.

Preparation of Road Map for a new Licensing Framework: The current Licensing framework has been in existence for more than three decades without any significant changes. Therefore, the current Licensing framework has to be modified to accommodate the existing and future requirements in the industry and to harness the benefits of the convergence of technology. An amended Licence framework will be prepared, and all existing licences will be mapped into a new framework including availing opportunity to migrate to a potential unified licensing model. A public consultation will be initiated in this regard.

Introduction of Network Approval as an essential item of Section 17 Licensing: Network approvals are an essential item of Section 17 Licensing and no such approvals have been issued in the past. Therefore, measures were initiated through the License Division that has called for information from operators to process required approvals moving forward. Furthermore, required Inspections of Operator networks and technical information are being planned in tandem with the above initiatives.

Issuance and Renewal of Licences: A Cable Distribution Network license has been completed and Two Internet Service Provider (ISP) licences are being renewed. Revocation steps were completed for a Direct to Home (DTH) operator and re-consideration is under progress for an ownership transfer request.

Infrastructure Deployment: Amendments have been proposed to relax certain regulatory requirements stipulated in the existing Guideline on Antenna Structures considering the present practical issues on the deployment of 4G networks under the Antenna Structure Farm concept. Furthermore, necessary steps were taken for reconciliation of On-Air site details with antenna structure database maintained at TRCSL where past anomalies of unapproved sites have been evident. Requests for the erection of Antenna structures made by the operators including the requests made under the Gamata Sannivedanaya project have also been processed. Deployment of multipurpose lamp poles concept with the concurrence of RDA has been implemented along the roadways to install base stations for the expansion of mobile coverage in urban areas.

Implementation of Number Portability: A regulatory process on the implementation of Number Portability has been initiated to ensure broader consumer enablement and empowerment on the selection of service providers with the principal concurrence of Mobile and Fixed Operators. This enables the mobile/fixed telephone users to retain their mobile telephone numbers when changing mobile or fixed network operators ensuring greater agility for consumers and creating a conducive environment where operators are compelled to provide a continuously improved service as well as the promotion of healthy competition within the industry. A Committee has been appointed for the implementation of Number Portability and the public consultation process has been initiated in this regard.

National Numbering Plan and Assignment of Short Codes: Telephone number blocks are a scarce resource and TRCSL manages them as per the National Numbering Plan of Sri Lanka. Short codes are assigned to Public and Private sector organizations. Short codes were assigned to 11 Government organizations and 07 private sector organizations this year including for emergency COVID-19 response initiatives. The Commission approved three-digit short code range and emergency calling numbers as required across the year including a rapid approval process during the COVID Pandemic to facilitate critical health services.

Processing of VOIP unblocking requests: The Commission has taken steps to process VOIP unblocking requests made by the operators. Relevant monitoring actions have been taken for any issue resolution as required within the process.

Granting Type approval and issuing of equipment: Nine Type approvals have been granted to wired terminal equipment and 2400 import clearances have been issued upon the requests made by the operators, vendors, and individuals for the customs clearance of equipment.

Processing of Vendor Licence and issuance of Equipment: During this year, in terms of streamlining the Vendor Licence process, conditions were amended for SIM enabled devices. A decision was furthermore taken not to entertain late payment renewals due to legal impediments that could be faced by the commission in terms of the periods of functioning of such vendors during non-licensed periods and such renewals posed the legal impediment of legitimizing activities during extended periods if vendors not holding a legitimate license.

The revision of the Vendor Licence fee structure was initiated to meet the current market requirements. The equipment importation requests made by the operators, vendors, and individuals were processed for the custom clearances. It is also noteworthy that most vendor services were processed online with the digitalization activities in tandem with the COVID-19 pandemic environment in ensuring continued service to stakeholders by the TRCSL.

Investigation of Illegal Vendors: Public awareness campaigns regarding this activity has been initiated aggressively and are continuing. The awareness campaign included messaging on social media in raising awareness for the public in the pitfalls of engaging with illegal vendors for services as well as on print media where formal notices were given to vendors on the need to regularize such businesses through the application of mandatory vendor licenses. It is expected in the future to initiate actual audits and raids in tandem with law enforcement agencies in ensuring that illegal operations are halted for the protection of consumers.

Initiatives for Digitalization of TV Transmission: Initiation of Digital TV broadcasting and Digital Audio Broadcasting with advisory on best fit technologies for Sri Lanka and exploration of alternative approaches such as free to air/view options were considered during the year. Multiple rounds of discussions were held with the Japanese Embassy staff and JICA representatives as well as the Ministry of Mass Media where TRCSL's position was made clear on technical baselines that are required to proceed such as the requirement for High-Definition transmission as opposed to the proposed Standard Definition transmission which is outdated. Further clarifications were raised on the cost of the set top boxes where TRCSL was of the standpoint that the set top boxes have to be significantly more affordable noting that the current terrestrial viewership target audience is on low-income demography.

Further input on the digitalization project was also offered to the Ministry of Mass Media and other stakeholders on other alternatives such as the consideration of existing cable and satellite tv networks to provide required coverage for local channels through a proposed DBNO (Digital Broadcasting Network Operator) entity creating the option of not requiring the setup of digital broadcasting as well as the consideration of the DVBT2 technology as recommended by a previous TRCSL appointed committee report noting technical

efficiencies and broader adoption by many countries. However, it was also noted that the Japanese loan agreement was already in place and a decision had to be arrived upon factoring all variables on what option to move forward on.

Discussions were further held with related institutions and cabinet approval is to be sought on the reassignment of the Ministry of Mass Media as the executing agency as it has been originally noting the expiration of the loan agreement in 2021 and the JICA certification process of TRCSL taking a considerable amount of time even after the submission of the required information and for TRCSL to focus on technical advisory and spectrum regulatory aspects for the project.

Introduction of RTTE Rules & Enforcement: Formal RTTE Rules were introduced and formalized for the first time as per standard regulatory best practices where the current procedure was simply an informal internal process previously. The Commission made Radio and Telecommunications Terminal Equipment (RTTE) Type Approval Rules 2020 under Section 68 read with Sections 5(o), 5(q), 5 (v)& 5 (w) of the Sri Lanka Telecommunications Act No: 25 of 1991 as amended.

RTTE Type Approval Rules was published in the Extra Ordinary Gazette No. 2196/51 of 09/10/2020 and came into effect on 16/12/2020.

With the now published new Type Approval Procedures that came into effect on December 16, 2020, the new Type Approval Procedures apply to all types of RTTE intended to be imported, marketed, manufactured, or used in Sri Lanka. All type approval certificates issued before 16th December 2020, under the old scheme will expire automatically on June 17, 2021. This would enable the streamlining of telecommunication device imports and ensure that Sri Lanka does not become a dumping ground for the inferior quality and outdated devices.

Assignment of frequencies & Reforms: The National Table of frequency allocation was prepared and posted on the website for the information of the public. The Master Frequency Register was updated by System Management Database cleansing.

Assignment of 2600MHz Band for Mobile/Fixed Services was initiated with settlement motions initiated on existing legal proceedings. Assignment of frequencies for Tri forces and Sri Lanka Police for island wide Communication Network was further completed streamlining the existing adhoc assignments. The Ministry of Education was also assigned frequencies to enable the commencement

of dedicated TV and Radio Channels for educational purposes with the need for remote learning facilities due to the COVID-19 pandemic. The assignment of frequencies for a national education channel is a first and would enable the reach of education activities through media across the country which would supplement the standard education initiatives within schools.

TRCSL further introduced reforms to streamline the importation of Maritime Equipment, Drones, and GPS devices and implementation of rules with regards to the cancellation of frequency reservation in Broadcasting Services.

Preparation of Spectrum Road Map for the next 5 Years / Spectrum Assignment for 5G: TRCSL commenced initial 5G trials through all mobile operators and allocated spectrum in the 3.5GHz band for the piloting of pre-commercial 5G services. Furthermore, initiatives have been taken in the preparation of a national 5G spectrum policy and strategy in moving towards the implementation of commercial 5G services in Sri Lanka. These endeavors will lay the groundwork for Sri Lanka to innovate new 5G related products and services, paving the way to access the global 5G marketplace and facilitate industries to leverage the benefits of 5G.

Initiation of an Undersea Submarine Cable Resilience Program: Initial steps were initiated in the formation of a submarine cable resilience program that is imperative to ensure uninterrupted data and communications for the nation in collaboration with the Ministry of Foreign Affairs and the UNODC. Initial resident workshops facilitated by the UNODC and MFA were conducted in discussing key imperatives of initiating a regulatory regime to manage the undersea cable infrastructure as well as creating a framework for other logistical aspects such as port entry requirements.

Subscribers' growth in the industry: Sri Lanka has a rapidly growing telecommunication sector with approx. 28.7 Mn mobile subscriptions 2.6 Mn fixed subscriptions and 17.5 Mn broadband subscriptions. By the end of the year 2020, the mobile telephone density (penetration) and fixed telephone stood at 131.1% and 11.9% respectively. The telecommunications broadband industry needs further rapid growth in terms of improving geographic coverage across the country moving beyond just a metric of population-based coverage which is imperative to make the digital transformation roadmap of Sri Lanka a success as

well as bolster the economy with technology diffusion.

Collection of Levies & Cess fees: Collected amount for the year under the Telecommunication Levies & Cess charges were Rs. 20.6 billion. [Telecommunication Levy – Rs. 10.0 billion, Cess – Rs. 4.6 billion, Tower Levy – Rs. 1.4 billion, SMS Levy – Rs. 0.4 billion & TDC – Rs. 4.2 billion] Collection of SMS levy of the year 2020 showed 0.08% and collection of Cellular Tower Levy of 2020 demonstrated 3% increase against the last year.

Processing of Tariffs: During the year significant tariff decisions were initiated in ensuring that required packages that match the forced digitalization and the requirement for a new norm of post COVID activities. Access to the official e-learning platform for Government schools, the e-Thaksalawa platform was whitelisted with the support of all the telecommunications operators for facilitating school children with e-learning with zero data charges. This enabled not only students but also teachers to utilize the platform without any costs and also parents having access free of charge to guide children on online education.

The LEARN Platform of the State Universities was also whitelisted and made free to access for facilitating university students to access the same without any data consumption which commenced as a COVID initiative but has now been continued with the support of the service providers. Furthermore, the official Government tracing app/portal “Stay Safe” web portal was whitelisted for access without data charges and exempted charges for SMS’s which is sent to 1919 for citizens without smartphone facilities for island wide adoption. Furthermore, with the required new usage patterns of consumers during the year, the commission with proactive directives to operators, ensured the introduction of special low-price tariff plans to promote work from home & learn from home concepts and make available unlimited usage packages for social media and pay television platforms ensuring that the industry responded on time for new usage patterns triggered by the pandemic situation.

A further special tariff management initiative conducted during the year was the facilitation of non-billing services during the COVID-19 lockdown period in the country where the Commission ensured the Government request to continue telecommunication services irrespective of payment

status for all citizens were implemented with the support of all operators. We believe this to be a significant measure in ensuring continued connectivity for all citizens which was imperative in the fight against the pandemic by ensuring basic connectivity for all.

Handling Interconnection: TRCSL initiated a process to review the existing interconnection rates and requested licensed operators to submit their views in writing to the Commission. When conducted, the industry & Commission meetings of stakeholders were in an agreement to continue with the existing interconnection rates. However, it was noted that the interconnection charges would have to be revisited with the proposed number portability initiative in progress.

Visa recommendation for foreign experts & workers in the Telecom Industry: Visa recommendations regarding the foreign experts and workers in the Telecom industry were processed and recommended 94 Resident/Entry visas for foreigners during the year. TRCSL this year took the firm standpoint that entities within the telecom industry should take maximum measures to employ local manpower and expertise without making hiring decisions based on low costs from other countries and have implemented a stringent procedure to streamline the issuance of visas. With this, it is expected that an increase in the utilization of local expertise within such organizations especially on decision making roles would have an increase benefitting the local economy.

Industry Information & Statistical Updates: During the year industry data, information collection & updates were completed and submitted to the relevant institutions. Calculation of tariff related statistical indicators was prepared by analyzing the monthly usage of mobile and fixed tariff plans by splitting them according to the five types of price baskets according to the International Telecommunications Union standards. According to the ICT Price Trend Analysis of the International Telecommunications Union benchmark study, Sri Lanka holds a commendable position on voice and data rates. Based on the latest report released, Sri Lanka ranks when comparing the telecom prices among member countries for cheapest Voice + data low usage =>14 place, Voice + Data High Usage =>33 place, Data only Mobile Broadband =>29 place, Mobile cellular Basket => 09 place, Fixed broadband =>26 place. It is commendable to note that Sri Lanka

is ranked within the top 10 cheapest countries for mobile voice services and the data rates are expected to improve in future reports based on new packages offered within the year with lower pricing.

Adherence to the Quality of Service Parameters: It was planned to issue rules/regulations to monitor the Quality of Service (QoS) of voice & data/broadband services by licenced telecommunication operators under the compliance activities. Expected progress had been achieved in the task “Ensuring the operators' adherence to the Quality-of-Service Parameters set by TRCSL for voice and data/broadband services.” No of QoS parameters adhered by Mobile Operators were fourteen and Fixed Operators were sixteen. With the issues of spam messages affecting consumers, steps were taken to streamline the unsolicited promotional messages sent by operators and third-party companies by Including mandatory opt-in and opt-out options in the messages as per global best practices. To prevent international and local scam calls and to streamline the process, operators were instructed to monitor the scam calls/SMS and block the numbers that were in violation. Furthermore, 4G Drive Test Measurements and mandatory measurements of 4G coverage by operators were conducted and under the QoS Analysis developed a dashboard for publishing of all QoS parameter measurements by operators on the TRCSL website.

Further steps were taken to resolve root causes for the certain low quality of service indicators such as the high call drop rates which were a result of interference within the spectrum due to adhoc assignments and non-harmonization of the spectrum with adjoining countries. Steps were taken to intermediate in the situation and ensure that spectrum planning was carried out to ensure that filters were commissioned by operators and ensuring that other network rollouts phased out until filtering was in place to ensure minimal inconvenience to consumers.

Monitoring & Investigation of Tariff: Tariff packages introduced by the licenced operators were reviewed and unapproved tariff packages available in the market were monitored. Besides, necessary regulatory measures were taken in this regard to ensure that non-approved tariffs were removed from the market, and a process was introduced to get an operator declaration to ensure compliance. With the newly introduced declaration process, the high amount of non-approved tariffs in the market that

was evident at the start of the year was at near-zero by the end of the year.

Operator adherence to licence conditions: Necessary regulatory measures were taken to monitor the adherence to the conditions of the licenses issued under Section 17 of the Act and a total number of forty-eight inspections were carried out. As per the conditions of the licenses issued under Section 21 of the Act, inspections and awareness activities were carried out to monitor the adherence to the license conditions and took necessary regulatory measures on non-compliance of the conditions.

Monitoring and Investigation of Illegal operations: Appropriate regulatory inspections were taken on the sale of non-approved telecommunication equipment by vendors, sale of non-approved telecommunication equipment by vendors, and on the provision of illegal telecommunication services to the general public (provided by service providers without a valid license, operations of illegal cable TV & Satellite TV, etc.) The concerted awareness drive on the purchasing of illegal and unapproved telecommunications devices was conducted during the year and, an initial deadline of 1st of October was provided to ensure that all vendors comply in ensuring only TRCSL approved devices are sold and to potentially block all unapproved mobile devices from mobile networks. With regard to the implementation of the same, a homegrown IMEI Management solution was developed with the voluntary support of a local tech startup where currently the TRCSL could monitor all registered devices whether illegal or approved with required data provided by telco operators on an update process set in place. Currently, legal necessities are being processed to formalize the rules and regulations for initiating the blockage of illegal devices on networks noting that sufficient awareness has been raised to the public on the requirement to purchase devices from registered vendors and the whitelisting of existing devices on the networks whether TRCSL approved or not ensuring that there is no public inconvenience. The process is expected to negate issues of inferior fake/replica devices flooding the market, as well as devices that do not conform to health guidelines in terms of emissions etc. leading to long-term health affects for consumers.

Awareness Programs: Public awareness programs were conducted through electronic media and social media on the requirement and need of purchasing of TRCSL approved devices and services provided by approved vendors. Furthermore, awareness programs had been conducted for school children on

ethical and rightful usage of telecommunication and social media noting the heightened complaints of cyberbullying and harassment reported. Actions were taken to conduct these awareness programs through radio, television & social media with course content tailored specifically for key target audiences of parents and students.

A key highlight was the Women's Day 2020 awareness campaign that was conducted by the Commission on avoiding cyberbullying and harassment which was carried out on social media channels as well as on TV with multiple media channels providing prime time belts for the program.

Continuous media programs were also initiated with the SLBC through the "Vinivida" program with a wide audience conducting continuous sessions on key topics of interest for the public where senior personnel of the Commission.

Management of Consumer Complaints: Continuous meetings and discussions were held with telecommunication operators and other relevant parties to resolve consumer complaints and disputes relating to billing, Nuisance / Harassment calls, Quality of service, Cable TV, Internet/Data, social media, Cyber harassment, and other telecommunication services related issues. 1313 customer complaints were received and handled.

Furthermore, misplaced mobile phone complaints received online were attended and around 23,905 complaints were handled. A streamlined online complaint system was introduced with collaboration with the Sri Lanka Police where consumers could now lodge complaints of the lost phone online without the need for manual intervention. The process for checking of such IMEI data was further streamlined by ensuring a continuous reciprocal check on lost phones IMEI's by the operators as opposed to the previous one-time check which was not effective and now enables the opportunity to locate a phone that was stolen even after long periods of inactivity.

Investigations & Coordination organizations: TRCSL provided necessary assistance for law enforcement agencies to analyze call records and ownership details submitted by operators for criminal and civil investigations.

Furthermore, the Police investigative Unit that has been previously set up at TRCSL was relocated to Sri Lanka Police noting that the TRCSL has no administrative nuances of managing a law

enforcement unit. However, all required law enforcement assistance sought by the public is now referred to the Sri Lanka Police Cybercrimes Unit on a streamlined process.

SIM Registration / IMEI Verification / Value Added Services / Digital Payments: Streamlining of SIM registration procedure were also initiated with the assistance of telecom operators to regularize the registration process. Necessary audits were conducted regarding the SIM registration in the industry. However, it was noted that there are significant non-compliances by operators in terms of maintaining valid KYC information of its clientele and activities are in the process of ensuring that required re-registration / verifications action is conducted by the operators.

Further steps were initiated in streamlining SIM/Device/Vendor Registration Processes which includes an automated IMEI verification solution that has been implemented. Required legal formalization activities are now underway to ensure that the process is fully implemented.

TRCSL coordinated and initiated a process to streamline VAS services provided by telecom operators by initiating mandatory best practices that have to be adhered by operators in terms of offering VAS services and taking action on complaints with regard to the same. There have been significant complaints on VAS services and associated billing etc. and measures such as OTP verifications have been recommended to be incorporated into the services. An internal audit investigation has been launched by the Commission in verifying any anomalies of such VAS services which is ongoing.

Further streamlining of digital wallet services offered by operators was initiated in tandem with law enforcement and Central Bank based on feedback that the digital wallet services were being misused for nefarious purposes such as EZ-Cash/M-cash services. Steps were taken to initiate a forum with all key stakeholders such as the Central Bank / Dangerous Drugs Authority etc. and ensure that operators implemented required analytic solutions to track and analyze suspicious transactions based on machine learning which would enable regularization of such services albeit the fact that the services come under the Central Bank. With the platforms being governed by the Central Bank, such information generated from the control systems are now passed

on to the Financial Investigation Unit based on the facilitation conducted by the TRCSL.

Research and Development in the Field of Telecommunication: TRCSL conducted telecommunication related research studies with the support of State Universities and Research institutions in Sri Lanka. “Real time monitoring of tank and canal water level in urban areas for light flood advance decision points” by Communications Division, Arthur C Clarke Institute for Modern Technology. “Fast Uplink Grant- An adaptation of Artificial Intelligence System for Machine Type Communication” by the Department of Electrical & Information Engineering, University of Ruhuna were the key projects in focus. A research paper on this has been published at one of the leading international research conferences (IEEE Globe Com 2020). Initial presentations and two progress presentations relating to the above research projects have been completed.

Initiation of Telecommunication Surveys and Questionnaires: Obtained relevant information in coordination with telecom operators/other Government organizations and completed surveys and questionnaires after the aggregation/ compilation of the collected information. [ITU Telecommunication / ICT Regulatory Survey 2020, ITU World Telecommunication/ICT Indicators Long Questionnaire 2020, ITU Global Cybersecurity Index Questionnaire 2020, ACCIMT (Arthur C Clarke Institute for Modern Technologies) Survey on Space Technology for Sustainable Development: National Survey on the Current and the Potential Use among Public Sector Organizations, APT questionnaires relating to SATRC Working Group Policy, Regulation and Services, ITU Survey on capacity building regarding the Spectrum Management in Asia and the Pacific.]

Initiation of Collaboration & Coordination with the Telecommunications International Organizations: Coordination with the International Organizations relating to telecommunications (ITU, APT, CTO, SATRC, SAFIR) was accomplished during the year. TRCSL organized the delegation and credentials for representing Sri Lanka in the 15th session of the General Assembly & the 44th session of the Management Committee and voting at the Election of Secretary General & Deputy Secretary General of APT the Asia Pacific Telecommunity (APT). The staff attended one physical training program and eighteen online training programs/workshops and virtual meetings organized by the International Telecommunication Organizations during the COVID-

19 pandemic situation, which benefited the organization to develop skills and best practices. Furthermore, internal knowledge sharing sessions were organized by way of conducting post-training presentations that were mandatory for all training to participants to conducted to ensure that the know how received from the training programs are conveyed to the wider staff members.

The Director General further represented Sri Lanka as a panelist on a timely Regulator-Industry dialogue on the deployment of 5G in South Asia as part of the South Asian Telecommunication Regulator's Council Session 2020 moderated by Mr. Masanori Kondo, Deputy Secretary General, APT focusing on key imperatives of challenging regulatory issues and spectrum roadmap strategy on 5G deployment.

Furthermore, collaboration was initiated with Pakistan Telecommunication Authority and Telecommunication Regulatory Authority of India, and bilateral meetings were organized to share information on strategic projects such as the National IMEI Management solution as well as the initiation of Number Portability in Sri Lanka.

Expert Assistance programs were also initiated with ITU/APT with regard to the initiation of the Spectrum Management Roadmap, IPV6 Implementation, and setting up the proposed New Licensing Framework.

World Telecommunication and Information Society Day (WTISD): Arrangements were made to create public awareness through the TRC website and social media regarding this year's WTISD theme "Connect 2030: ICTs for the Sustainable Development Goals". Besides, WTISD special messages from H.E. the President, Hon. Prime Minister, Secretary General of the ITU, Chairman and Director General of the TRCSL were also published on our website and digital channels.

Legal Affairs on Regulatory Matters: Required legal advice/measures were initiated for regulatory actions & initiatives of the Commission for settlement of pending court cases impacting the progress of the industry and having a negative impact on consumers. With the litigation, deadlocks that were prevalent amongst the operators, as well as the regulator, the utilization of spectrum as well as collaboration between operators were hindered which meant a settlement was imperative to ensure the rapid expiation of coverage and broadband required for the progress of the digitalization vision

of the country. With this impediment, litigation relating to Dialog, Sri Lanka Telecom Ltd. and the other mobile operators were all settled with settlement motions after the facilitation of dialogue and settlement initiated by the Commission in tandem with the Attorney General's Department. The settlement enabled the ability for operators to utilize spectrum that was allocated but were not usable due to the litigation and for the allocation of spectrum for operators to ensure that required quality of service could be offered to consumers with the expected expansion of coverage required sufficient spectrum allocation which has now been completed.

In terms of the Lotus Tower project, legal formalities were initiated to settle matters relating to the land ownership and matters with the Attorney General's Department relating to the company formation for the launch of commercial operations of Colombo Lotus Tower. It is to be noted that the process was imperative noting that no land was formally vested for the project until the legal formalities were initiated within the year which is mandatory for legal compliance when starting future commercial operations. Currently, final steps are in progress in terms of finalizing pending issues of land, and a Cabinet paper is expected to be submitted for formalization.

Furthermore, required ongoing advice and solutions were provided on agreements, frequency reservations, revocation of licences, reconsideration process for new investment, vendor license related issues, questionnaires, regulatory framework matters referred to legal and regulatory affairs.

Streamlining was initiated for the process of court orders received by Police Stations from various parts of the country for purpose of criminal investigation, criminal proceedings, website blocking/unblocking, and social media. Actions were taken with consultation of licenced operators, police stations, and courts regarding these issues.

During year, one court action was filed against the TRCSL. Eight cases on settlement of telecom & dismissal of employee court proceedings were concluded. Altogether twenty court cases have been handled this year.

Furthermore, TRCSL has implemented several steps towards the process of an Act amendment which is imperative noting the current Act precedes major

technological and regulatory advancements over the year with the current act being incorporated in the year 1991 and only amended to include the Commission in the year 1996. Currently, the required action is in progress to get the necessary initial Cabinet approvals to proceed.

Connect Sri Lanka Project “Gamata Sannivedanaya”:

In line with the Government’s Vision of a “Technology-based society and digitally inclusive Sri Lanka,” the Telecommunications Regulatory Commission of Sri Lanka (TRCSL) commenced the project “Gamata Sannivedanaya” (Connect Sri Lanka) to fulfill countrywide 100% 4G/Fiber broadband coverage.

With utmost focus provided on Digital Transformation and the embracement of technology in driving the country towards a digitally enabled Government and a digital economy through the Government vision defined on the Vistas of Prosperity and Splendour, the underlying infrastructure for the digitalization of the country is the mandatory requirement of connectivity. Broadband internet coverage across the country with a focus on affordability will be a key success factor in ensuring that citizens would be provided universal access to such services as e-government services and online education which has proven to be indispensable due to the current COVID-19 pandemic as well.

The Gamata Sannivedanaya program launched by the TRCSL this year and eventually identified by the Government as a National Program under the budget of 2021 is now in progress to address the lack of broadband connectivity and preliminary work concluded with a yearlong exercise of a survey across all 25 districts and 14,000 plus Grama Niladhari Divisions in understanding the ground realities of actual coverage issues. The key element of the exercise is that the TRCSL would be financially investing into the expansion through its Telecom Development Fund providing an incentive for operators to provide coverage to rural areas that may not make financial sense from a company perspective but makes essential economic sense from a government perspective. Currently, the TRCSL has commenced the first project in the Ratnapura district in tandem with telecommunication service providers where it is expected that by quarter three of 2021 the Ratnapura district is to be covered with broadband connectivity covering 602 National and Provincial schools, 23 Police Stations, 38 Hospitals

and 1400+ other Government agencies with the introduction of the added infrastructure of 36 new telecommunication towers as well as fiber connectivity. The same process is expected to be continued parallelly across other districts and has a target of the end of the year 2023 to achieve the eventual goal of 100% island-wide broadband coverage based on the reinvestment of TDC funds. However, further avenues would have to be sought to increase the existing TDC fund to enable a bold 18-24 month period for coverage of the country with broadband connectivity.

As a result of high speed, affordable and sustainable 4G/Fiber broadband network it is expected to elevate the quality of life of communities by reducing the digital divide, irrespective of geographies with seamless accessibility to consume e-government services, online education for children, and also accelerate the adoption of new technologies such as agritech, IoT automation for industries as well as providing a platform for future e-health services as part of the Digital Transformation roadmap for Sri Lanka.

“Gamata Sannivedanaya” Speedy coverage improvement projects 2020:

Based on public requests and assessment by the Commission, 4G coverage facilities were provided for Meeyagala in Monaragala District, Lankagama, Kelinkanda in Baduraliya, Moragahawewa in Nawagaththegama and Berelihela Lunugamvehera. Technical field visits were carried out in Beliatta, Walasmulla, Deiyandara, Deniyaya, Babarawana, Porawagama, Wallambagala, and Elpitiya for coverage improvement of unserved rural areas on a priority basis.

“Surakshitha Sannivedanayak” project: Awareness campaigns were conducted on proper disposal or reuse of telecommunications/ICT waste materials at Kandy, Monaragala, Badulla, Puttalam, Colombo, Gampaha, Anuradhapura, Kegalle, Nuwara Eliya, and Galle Districts. It is intended to expand the project in the coming year to ensure that sustainable use and disposal of telecommunication/ electronic equipment is promoted ensuring environmental safety in tandem with the progress of the Gamata Sannivedanaya project focusing on islandwide broadband coverage.

ICT Local Volunteer Program: With the recommendation of the National Apprentice & Industrial Training Authority or Vocational Training Authority, students who have passed NVQ level 4 or

a higher level in the National Certificate in Information Communication Technology Technician courses were selected as volunteers for the TRCSL ICT Volunteer program. This program was conducted in schools in Anuradhapura, Polonnaruwa, and Gampaha districts with the support of the Ministry of Education.

Telecommunications Tower Technician Program:

Telecommunications Tower Technician Program was initiated in collaboration with the Tertiary & Vocational Education Commission (TVEC), Vocational Training Authority of Sri Lanka, and telecom operators. Details relating to developing a National Competency Standards (NCS) and Curriculum have been submitted. The project was launched noting the current impediment faced where it was noted that there are significant amounts of foreign nationals working locally as tower technicians/riggers. While years back, tower technicians and rigging services have been a thriving industry, there has been a significant collapse of the industry due to the influx of foreign manpower and organizations to the local market depriving local citizens of the opportunity to engage in this ever-expanding area. With the above initiative, it is expected to revive the fledgling industry and ensure that job opportunities are created for locals with required competencies and potentially creating a workforce that could find work placement internationally with experience in the future creating foreign revenue for the country.

Colombo Lotus Tower Project: The key focus for the year on the Lotus Tower project was to ensure mandatory defect rectifications were completed and expedited to ensure a potential takeover of the project. The deadlines provided by the PCU, the project engineer to the project, and the contractor continued to be delayed and thus creating a situation of loss of income for TRCSL with commercial operations being affected directly due to the construction prerequisites not completed. A dedicated Commercial operations team was also set up in ensuring that commercialization planning is started parallel to ensure a swift commencement of operations once the handover is formally complete as well as to assist in the takeover process. Further direct action was taken to initiate the identification of defects that requires rectification as well as initiating steps such as the conducting of a comprehensive fire drill to ensure that all required mandatory infrastructure is in place.

During the year, the TRCSL was successful in forming a voluntary team of experts working in tandem with the commercial operations team from diverse professional backgrounds and expertise to ensure that a detailed commercialization strategy and plan inclusive of financial projections were in place to ensure a well thought out execution of commercial operations under the proposed Lotus Tower Company to be formed for commercial operations. Further through the formed operations team, all required preliminary work was commenced in terms of structural planning for the new company which includes staff capacity planning, etc.

Legal aspects were also initiated and expedited in terms of the formation of a company based on Attorney General's advice to execute commercial operations of the Lotus tower and preliminary work on Articles of Association and the management agreement to be signed between TRCSL and the proposed Commercial Operations management company was in progress.

Furthermore, measures were taken to address the prevalent land issues of the Lotus tower where it was noted that the mainland areas and the adjoining areas have not been vested or transferred to TRCSL and detailed coordination was conducted with relevant other Government agencies in the finalization of the lands which was a mandatory need for proceeding to commercialization for agreement purposes.

TRCSL New Headquarter Building Project: Various actions were taken to complete the work of the Head Office Project Building and an Engineer was appointed for reviewing the works. A Committee comprising of senior staff was appointed to oversee interior décor decisions such as the rightful selection of tiles, bathroom fittings, lift design, color, and Electrical fittings, etc. to ensure that the required ambience and aesthetics are looked at and decisions arrived with the participation of key senior staff members. Reviewing of the IT Solutions for the building including network planning and PABX systems etc. were jointly completed with the IT Unit of TRCSL. Continuous monitoring of proper maintenance of Insurances & Guarantees were done. Re-designing on the need for additional toilet block and canopy of the building. At the monthly monitoring, meetings review the progress of work, design defects, payments, and recommendation of variations provided necessary instructions to complete the works.

Kadirana Rehabilitation, Renovation and Refurbishment Project:

A committee was appointed to investigate and recommend contractual action for Engineer Budgeted Variation which was unacceptable to the Commission. Meetings & visits were facilitated to the committee to study the variations of PCU. The contractor was coordinated to clarify the matters pointed out by the committee which noted that approx. Rs.29 million should be reduced from costs based on unverified and unassessed costs. Furthermore, standard activities such as payments to the Contractor and the Engineer of the project, continuous monitoring of proper maintenance of Insurances and Guarantees were completed. Deliberations are in progress to assess on what productive use the Kadirana site could be used for noting that there has been no strategic plan on utilizing the site based on the renovations conducted.

IT Park Hambantota: This project is under the arbitration process currently and consultations are continuing with AG's Dept and SLLRDC regarding this Arbitration process. Continuous monitoring of required maintenance is done under the Advance Payment Guarantee. Currently, additional payment requested by SLLRDC on Adjudication, the Arbitration process, and litigation has been submitted to the Commission.

Administrative Affairs: The total staff capacity as of 31st December 2020 was 228 personnel. Out of the total staff, 04 were in senior managerial posts, 29 were in middle managerial posts, 151 were in subordinate ranks and 44 were in minor grades. The number of employees approved for the TRCSL stands at 290.

It has been identified this year the urgent necessity to restructure the organization and empower the organization with human capital with core competencies to meet the current demands of the industry and the regulatory breath that has expanded to new horizons and technology. Key steps were initiated to implement and develop the organization cadre and Scheme of Recruitment based on the current requirements of TRCSL in addressing the expectations and demands of TRCSL. A committee was appointed to review and make recommendations in this regard and the SLIDA consultancy service was engaged in formulating a new scheme of recruitment alongside the introduction of a performance appraisal scheme in

ensuring that current anomalies and deficiencies are addressed, and activities are currently in progress.

Furthermore, vacancies in the Executive Staff cadre are to be filled according to the existing approved Scheme of Recruitment and prevailing requirements. Applications were called through a paper advertisement for the post of Internal Auditor (Technical) - Assignment basis. One qualified official on a secondment basis has been selected for the Assistant Director (Human Resources & Development) position and an Assistant Director (Finance) assumed duty this year.

Furthermore, TRCSL conducted mandatory quarterly progress review meetings in ensuring that annual actional plan objectives are on track and progress measures quarterly with the participation of all heads of Divisions.

Required organizational Action Plan, Periodic Corporate Plan, Progress Reports, and Annual Report 2019 were prepared and submitted to the relevant institutions during the year.

As per the Government directives, an online channel was introduced on the TRCSL collaboration platform to upload circulars issued by the Ministry of Finance, President Secretariat, Public Administration, and other organizations for easy reference and to implement necessary actions by relevant divisions.

TRCSL facilitated 27 locals, overseas, online training, conference, and seminar programs for the staff to enhance their knowledge, attitude, skills, and performance for the benefit of the organization. In addition, the senior staff of the TRCSL attended several high-level international online meetings, conferences, study group meetings, and forums related to telecommunications regulatory affairs which were shifted to online due to the COVID-19 travel restrictions.

The Commission approved the annual procurement plan for 2020. During this period, 07 meetings of the Minor Procurement Committee and 04 meetings of Senior Procurement Committee were held. The total approximate value of the procurement approved by the Minor Procurement Committee was Rs 5,058,869.42 and the total approximate value of the procurement approved by the Senior Procurement Committee was Rs. 61,682,235.08.

The works on setting up a Customer Engagement and Service facilitation Front Office Management system

/ Customer Help Desk arrangement for Spectrum, Network & Consumer Complaints Divisions was completed. The Media Unit activities included the carrying out and assistance in making promotional materials & documentary videos of TRCSL programs and conducted public awareness through electronic media, social media, and the TRCSL web portal. TRCSL library provided reference and material assistance for the TRCSL staff and external parties on updating their knowledge. And updated the current industry information.

Furthermore, noted repairs and enhancements to building facilities were completed in ensuring a better working environment for staff.

In terms of COVID readiness, the administrative functions ensured the setting up of personal sanitation facilities for staff as well as ensuring protective gear for security personal as well as procuring required health monitoring equipment. Staff rostering and monitoring during the COVID period was also conducted including required facility health checks to ensure maximum staff safety.

Information Technology & Digital Transformation Initiatives: While there was no Information Technology Department within the organizational structure, steps were taken to bolster the existing IT Unit to ensure mandatory technical support and assistance is in place for the organization with IT expected to play a critical role in the digital transformation of the TRCSL. One of the first activities for the IT unit was to digitalize the IT assets of the organization and the project was completed where all IT assets are now digitalized on a solution to efficiently manage and track asset life cycles and utilization.

Furthermore, one of the key initiatives at the start of the year was to expand the email services at TRCSL to also introduce an enterprise content management and collaboration which was implemented through the Microsoft Teams platform by ensuring required licensing upgrades for staff to be enabled to be working online. With the initiative, all departments were ensured a virtual space for file management and staff collaboration all unified within one platform. The initiative helped TRCSL to be the first Government organization to open up all its services online during the COVID Lockdown enforced by the Government on the 20th of March 2020. The solution meant that required staff could seamlessly shift to

work from home and all inter-staff collaboration done online.

The usage of digital platforms meant the need for the introduction of a new Information Technology Governance framework to TRCSL, and two such initial Governance papers were introduced in moderating the use of organizational IT assets and BYOD (Bring Your Own Device) Wi-Fi policies. The added use of computer infrastructure meant that network enhancement for smooth operations had to be carried out on the WIFI infrastructure and bandwidth utilization etc., staff support for troubleshooting and conducted regular updates on websites and social media platforms on digital services information and IT equipment procurement analysis.

Under the required technological capacity building of the TRCSL, series of training on digital platforms and work transformation was conducted on utilized platforms such as O365, MS Teams, Planner, MS booking, MS SharePoint, etc.

Furthermore, as a special project, the IMEI Management system to track illegal phone importation to the country was initiated in tandem with voluntary assistance from a tech startup from the IT industry. Currently, the solution is hosted on TRCSL's first ever cloud server implementation in the Sri Lanka Telecom Data Center. The Asset Management System was yet another implementation and division-wide partial automation of processes was assisted with MS SharePoint implementations for various divisions to manage select day-to-day affairs. The SMS based application processing system for the Spectrum Management Division and SMS portal to communicate with internal staff was also made operational where external stakeholders now get SMS based alerts as well as for internal staff for notifications etc.

Currently, the envisioned Call Center solution to manage the heightened customer queries in a timely manner is in progress as well as an integrated Customer Relationship Management system with a PABX upgrade to ensure better consumer and customer care response.

Furthermore, the introduction of digital signature facilities to TRCSL was initiated and required procurement procedures in progress to ensure a future paperless environment and trusted

communication of document artifacts within TRCSL as well as between other external stakeholders.

Finance: Reports relating to Annual Budget 2021, Statement of Delegation of Financial Authority 2021, Annual Financial Statement 2019 were completed. 2020 annual financial report preparation is in progress. Quarterly income tax on a self-assessment basis for the year of assessment 2020/21 was Nil as it was announced that all the payments made to the consolidated fund by any public corporation could be considered as a qualifying payment and could be deducted in calculating income tax of such corporation with effect from 01.04.2019. Accordingly, only 03 self-assessment basis payments were made during the Year of Assessment 2019/2020, since contribution to consolidated funds by TRCSL is greater than its income tax liability. On the same basis, TRCSL has not made any self-assessment basis income tax payments for the Year of Assessment 2020/2021 too.

All levies under Finance Act & Tel. Levy Act (Tel. Levy, Tel. Development Charges, SMS Levy, Tower Levy) were collected correctly & timely and remitted to the Consolidated Fund. All relevant taxes under the Inland Revenue Act (Valued Adde Tax, Pay As You Earn tax / Advance Personal Income Tax, Stamp Duty) and contributions to employee benefits (EPF & ETF) were made.

From a client service perspective, card payment facilities were introduced to the organization and

currently, the public could make card payments through the POS system in place. Accepting payment settlements via direct fund transfers / direct deposits which enable an efficient licence renewal process and high customer satisfaction has also been implemented this year.

Streamlining of sending Proforma invoices to relevant parties in a timely manner after-tax verification from the point the Spectrum Division shared information with the Finance Division was completed (During COVID-19 period, all Proforma invoices were communicated via email enabling customers to receive documents efficiently without any delay)

Board of Survey 2019 of TRCSL has been completed and submitted.

Internal Audit: Four Audit Committee meetings were held for the year and coordinated audit affairs on sundry income, verification of bank reconciliations, audit queries & replies from the National Audit Office and Department of Management Audit.

Submitted Internal Audit Reports on TRCSL Receipts, TRCSL Payments, Issue of Vendor Licenses under Section 21 of the TRC Act, Payment of Salaries & Wages, Loans and Advances paid to the Employees, Investments of TRCSL, Fire Protection Strategies at TRCSL, Annual Board of Survey - 2018 and Internal Audit on internal controls.

STRATEGIC INITIATIVES OF THE TRCSL FOR 2020 ADAPTING TO A PANDEMIC INDUCED ENVIRONMENT

- Set up of Work from Home/ Work from Office environment.
- Arranging of logistics that included Curfew Passes, Railway and Bus passes for staff transport.
- Organized health preventive measures for staff at office premises.
- Gathering and monitoring details of staff through online surveys for health purposes.
- Implemented Office staff transport arrangements for staff travelling on public transport.
- Upgraded the office PABX system & call routing facility for the customer interaction.
- Implemented all Government circulars/ regulations on work conditions.
- Functioning of sanitation & security service activities based on rapidly changing requirements.
- Implemented duty roster for the functioning of office works in ensuring continuity of services.
- Conducted online Head of Division, Ministry, international Institutions foreign collaborative and other meetings/sessions.
- Launched online Meeting Facilities for public to contact officials during the Work From Home (WFH) period to obtain essential services.
- Conducted awareness programs through website, official social and electronic media platforms.
- Setup customer online appointment and reply /meeting system at the office.
- Setup National Quick Response (QR) Code trace and monitoring system at the office.
- Conducted PCR (Polymerase Chain Reaction) tests for employees as required.
- Completed routine disinfections of office premises.
- Provided face masks for the staff for maintaining personal safety.
- Prepared and submitted WFH weekly reports to the Ministry.
- Introduced special tariff packages to the public factoring new usage trends due to pandemic induced work from home / study from home scenarios.
- Arranged Work from Home Knowledge improvement/ study channel and disseminated among the staff.
- Introduced MS Teams to enable staff coordination and communication for functioning office work with staff at divisional level.
- Preparation of divisions Action Plan / staff meeting /progress review meetings through online platform.
- Created dedicated email channels to receive official correspondence and to respond to requests.
- Attended all public queries over the phone with call routing for staff even during work from home.
- Allocation of Short Codes for essential health initiatives such as 1999 for Health Promotion Bureau to deal with public queries and follow actions with operators.
- Attending to regulatory and operational issues prevailing during emergency situation as well as normal work cycles.
- Drafted earthing guidelines for the erection of telecommunication towers.

- Coordinated with operators/other related institutions for necessary arrangements.
- Issued Equipment Clearance for Telecommunications Operators.
- Coordinated with fixed and mobile operators on implementation of Short Codes for COVID-19 information (117, 119, 135, 1390, 1999).
- Coordinated with fixed and mobile operators on implementation of Ring-In tones on COVID-19 information/awareness Implemented 3 versions).
- Coordinated with ICTA and fixed/mobile operators on providing COVID-19 patient trace solutions.
- Initiated and provide necessary approvals to offer free data for access to state e-learning platforms for all schools and universities.
- Tariff Committee initiatives in introducing rapid new packages to meet changing demands from consumers during COVID pandemic.
- Coordinated and confirmed the receipt of the levies and taxes paid by the operators via e-banking facility.
- Arrangement of the collection of Revenue with relevant divisions and introduced a revenue collection procedure.
- Initiated action on public complaints related to social media and online harassment etc.
- Disseminated COVID-19 related social media messages on official channels.
- Arrangement was made to get familiarize with the culture of work from home environment.
- Published essential news on mainstream media with regard to key initiatives.
- Awareness the public through social media regarding necessary information.
- Monitored the progress of Colombo Lotus Tower works and coordinated with relevant parties.
- Conducted research presentations.
- Launched the online lost phone tracking system with Sri Lanka Police and Processed complaints received through “I need” online Portal.
- Conducted field visits in rural areas to verify and gather coverage data under Gamata Sannivedanaya project.
- Initiated a mechanism for continuation of consumer services by operators during the COVID Lockdown irrespective of payment of bills in tandem with operators.
- Conducted online divisional progress review meetings.
- Recommending tariffs facilitating operators to initiate rapid implementation of tariff packages.
- Introduction of e-billing mechanisms by approving relevant tariff offers.
- Introduced card payment system for customers.
- Accepted direct deposits and bank fund transfers and obtained all the related information via email.
- A help desk has been setup for handling customer requests.


PERFORMANCE OF TRCSL INITIATIVES FOR ACHIEVING SUSTAINABLE DEVELOPMENT GOALS - 2020

The global understanding of development is now moving towards Sustainable Development which promotes prosperity, economic opportunity, protection of the environment and greater social well-being. In this context, Telecommunications/Information and Communication Technologies (ICTs) are considered as the main enablers in achieving the Sustainable Development Goals (SDGs).








Sustainable Development Goals adopted by the United Nations General Assembly recognizes that the proliferation of ICTs associated with global interconnectedness has great potential in accelerating the human progress and bridging the digital divide.

We incorporated SDG initiatives in our action plans for 2020 to accelerate the achievement of the SDGs in the telecommunication/ICTs sector.

Actions	Achievements	SDG Goals/Objectives
<p><i>Introduction of innovative initiatives such as 5G Trials, Number Portability, IPV6 Implementation and Introduction of rules/regulations to monitor quality of services of voice and data/broadband services by licensed telecommunication operators.</i></p>	<ul style="list-style-type: none"> • 5G trials launched at the start of the year • Number Portability initiative launched, and public consultation process activated • Undersea Submarine Cable Resilience program initiated in tandem with Ministry of Foreign Affairs and UNODC • RTTE Rules for introduced for sustainable management of importation of telecommunications equipment. • Launch of Gamata Sannivedanaya program to ensure 100% 4G / fiber connectivity for Sri Lanka in building a resilient connectivity infrastructure. • Introduction of required new packages for consumers in adapting to a new norm of work and lifestyle. • Analyzed the existing Quality of Service parameters. • Discussed with the operators on amendments to be made and Voice QOS rules introduction in progress. • Measured internet speed in different locations in the country prior to the discussion with operators to make amendments to existing broadband parameters. • For voice services & BB services: - Draft parameters implemented by operators on trial basis. 	 SDG 8 – Decent work and economic growth. Promote inclusive and sustainable economic growth, employment, and decent work for all.  SDG 9 – Industry, innovation and infrastructure. Build resilient infrastructure, promote sustainable industrialization and foster innovation.
<p><i>Process for formulating amendments/new act to meet the rapid developments of the telecom industry</i></p>	<ul style="list-style-type: none"> • Act amendments were referred to the Legal Draftsman Department after obtaining inputs from the divisions to ensure implementations of new paradigms of technology required for accelerated economic growth. • Consultation was held with the Department of Legal Draftsman. • Process to obtain Cabinet Approval for Act Amendment 	 SDG 8 – Decent work and economic growth. Promote inclusive and sustainable economic growth, employment and decent work for all.

<p><i>Ensure the Operators' adherence to the Quality-of-Service Parameters set by TRCSL for voice and data/broadband services.</i></p>	<ul style="list-style-type: none"> • Adhered to Quality-of-Service parameters by Fixed Operators. • Adhered to Quality-of-Service parameters by Mobile Operators. • For Fixed operators- All three operators have submitted measurements of 16 parameters. • For Mobile Operators-All four mobile operators have submitted measurements of 14 parameters. 	 <p>SDG 8 – Decent work and economic growth. Promote inclusive and sustainable economic growth, employment and decent work for all.</p>  <p>SDG 9 – Industry, innovation and infrastructure. Build resilient infrastructure, promote sustainable industrialization and foster innovation.</p>
<p><i>Conduct awareness programmes for general public on the requirement of obtaining licenses under the provisions of the Act to provide various telecommunication services.</i></p>	<ul style="list-style-type: none"> • Public awareness programmes conducted via News Papers, Electronic media and via SMS. • Obtained details of vendors who have obtained Business Registration from Divisional Secretariat and informed those vendors to obtain Vendor License 	 <p>SDG 8 – Decent work and economic growth. Promote inclusive and sustainable economic growth, employment and decent work for all.</p>
<p><i>Processing of Tariff proposals submitted by the operators efficiently</i></p>	<ul style="list-style-type: none"> • Processed promotional/seasonal offers, promotional tariffs and permanent tariffs proposals. • Initiated new packages required for a post COVID new norm of working and learning 	 <p>SDG 8 – Decent work and economic growth. Promote inclusive and sustainable economic growth, employment and decent work for all.</p>
<p><i>Commenced the project “Gamata Sannivedanaya” (Connect Sri Lanka) to fulfil country wide 100% 4G/Fiber broadband coverage</i></p>	<ul style="list-style-type: none"> • Nominated and recognized as a National project for the country under the Government Budget in 2021. • Guidelines issued for disbursement of Telecommunications Development Charges (TDC) • Rathnapura district project is in progress. • Kurunegala District selected as second phase project program and technical investigation is in progress. • Completed Speedy coverage improvement projects in unserved rural area to cover 4G coverage on priority basis. • ICT facilities were granted to school children of those areas and arrangements were done to build computer lab in schools with the assistance of operators. • Completed Surveys on coverage availability & technical investigation in eight Districts and identified 4G coverage required areas. • Surveys on coverage availability are in progress at 17 Districts of the country • Carrying out Technical Field visits for coverage improvement. 	 <p>SDG 8 – Decent work and economic growth. Promote inclusive and sustainable economic growth, employment and decent work for all.</p>  <p>SDG 10 – Reduced inequalities. Reduce inequality within and among countries.</p>  <p>SDG 11 – sustainable cities and communities. Make cities inclusive, safe, resilient and sustainable.</p>

<p><i>Ensure fair Regulatory environment through Awareness.</i></p>	<ul style="list-style-type: none"> • Conducted school awareness programs. • Public awareness programs were conducted through electronic media & social media. • Ensured free access to all state universities and schools for official eLearning platforms to ensure inclusive education and a reduction of digital divide 	 <p>SDG 7 – Affordable and clean energy. Ensure access to affordable, reliable, sustainable and modern energy for all.</p>  <p>SDG 10 – Reduced inequalities. Reduce inequality within and among countries.</p>
<p><i>Telecommunications and ICT e-waste management project program (Surakshitha Sannivedanayak).</i></p>	<ul style="list-style-type: none"> • Conducted awareness campaigns in Kandy, Monaragala, Badulla, Puttalam, Colombo, Gampaha, Anuradhapura, Kegalle, Nuwareliya, Galle and Matale Districts. 	 <p>SDG 3 – Good health and well-being. Ensure healthy lives and promote well-being for all at all ages.</p>  <p>SDG 11 – sustainable cities and communities. Make cities inclusive, safe, resilient and sustainable.</p>  <p>SDG 12 – Responsible consumption and production. Ensure sustainable consumption and production patterns.</p>
<p><i>Ensure reasonable and Justifiable solutions to Customers and Operators.</i></p>	<ul style="list-style-type: none"> • Processed correspondence of consumer complaints on; nuisance calls, SMS, social media, fixed lines, tower faults & SIM, PEO TV and Internet, billing, CDMA. • Handled requests on misplaced mobile phones and use newly introduced system simultaneously to trace loss mobiles. • Introduced TRCSL Visa/MasterCard payment system 	 <p>SDG 8 – Decent work and economic growth. Promote inclusive and sustainable economic growth, employment and decent work for all.</p>  <p>SDG 10 – Reduced inequalities. Reduce inequality within and among countries.</p>  <p>SDG 16 – Peace, justice and strong institutions. Promote just, peaceful and inclusive societies.</p>
<p><i>Ensure Customer protection regard to telecommunication environment.</i></p>	<ul style="list-style-type: none"> • Conducted meetings with licenced operators. • Steps have been taken to resolve consumer issues. 	 <p>SDG 10 – Reduced inequalities. Reduce inequality within and among countries.</p>
<p><i>Review the existing numbering plan and propose necessary amendments.</i></p>	<ul style="list-style-type: none"> • Completed the reviews. • Identified a numbering plan of 3-digit code for IoT, M2M and internal communications. 	 <p>SDG 8 – Decent work and economic growth. Promote inclusive and sustainable economic growth, employment and decent work for all.</p>  <p>SDG 9 – Industry, innovation and infrastructure. Build resilient infrastructure, promote sustainable industrialization and foster innovation.</p>

<p><i>Infrastructure Deployment & Facilitation</i></p>	<ul style="list-style-type: none"> • Coordinated matters related to telecommunication infrastructure deployment • Conducted public awareness programs on telecommunication infrastructure deployment & handling public complaints regarding telecommunications towers. • Finalized the revision of Guideline on antenna structures which addresses the practical difficulties in the approval process and facilitates the unhindered development in Telecommunication Industry while paying due attention to the public health, safety and other concerns. • Preparing Technical Standards Guide for Provision of Communication Services in High Rise Buildings. 	 <p>SDG 9 – Industry, innovation and infrastructure. Build resilient infrastructure, promote sustainable industrialization and foster innovation.</p>
<p><i>Monitoring the operations of Cable TV Service Providers.</i></p>	<ul style="list-style-type: none"> • Collected and updated the details of cable TV network systems. 	 <p>SDG 9 – Industry, innovation and infrastructure. Build resilient infrastructure, promote sustainable industrialization and foster innovation.</p>
<p><i>Coordinating with international organizations regarding the training activities for 2020.</i></p>	<ul style="list-style-type: none"> • Selection of officials to participate in overseas training/study visits after obtaining approval of Advanced Training Committee (ATC) & Ministry. • Knowledge sharing programs were conducted through Online after the training programs/study visits. • Licence operators were invited for conferences and training programs conducted in collaboration with international organizations and foreign experts. 	 <p>SDG 4 – Quality education. Ensure inclusive and quality education for all and promote lifelong learning.</p>  <p>SDG 9 – Industry, innovation and infrastructure. Build resilient infrastructure, promote sustainable industrialization and foster innovation.</p>
<p><i>Introduce a tower technician training program with TVEC</i></p>	<ul style="list-style-type: none"> • Telecommunications Tower Technician Programme was initiated in collaboration with Tertiary & Vocational Education Commission (TVEC), Vocational Training Authority of Sri Lanka and telecom operators. • Details relating to the development of National Competency Standards (NCS) and Curriculum have been submitted and the approval is currently being processed at TVEC. 	 <p>SDG 4 – Quality education. Ensure inclusive and quality education for all and promote lifelong learning.</p>  <p>SDG 9 – Industry, innovation and infrastructure. Build resilient infrastructure, promote sustainable industrialization and foster innovation.</p>
<p><i>WTISD theme programme 2020.</i></p>	<ul style="list-style-type: none"> • Conducted awareness program on the theme of WTISD 2020 "Connect 2030: ICTs for the Sustainable Development Goals (SDGs)" 	 <p>SDG 4 – Quality education. Ensure inclusive and quality education for all and promote lifelong learning.</p>

<p><i>ICT capacity building (IT and other staff)</i></p>	<ul style="list-style-type: none"> • Conducted online IT training programs for the staff via MS Teams under the WFH environment. • Completed Microsoft - List training to update and track their work from home duties. 	 <p>SDG 4 – Quality education. Ensure inclusive and quality education for all and promote lifelong learning.</p>
<p><i>Introduction of international best practices involved in ICT for SDG developments in Sri Lanka. Organizing the Local ICT Volunteer program with the assistance of Vocational Training Authority & NAITA (Local ICT Volunteer Program)</i></p>	<ul style="list-style-type: none"> • The program was jointly organized with ICT Branch, Ministry of Education to develop ICT literacy especially among students in remote area schools. Previous year trained volunteers were dispatched to selected schools in Gampaha, Anuradhapura, Polonnaruwa to work as ICT volunteers. Both students and teachers at selected schools were benefited by this program. 	 <p>SDG 4 – Quality education. Ensure inclusive and quality education for all and promote lifelong learning.</p>  <p>SDG 9 – Industry, innovation and infrastructure. Build resilient infrastructure, promote sustainable industrialization and foster innovation.</p>  <p>SDG 10 – Reduced inequalities. Reduce inequality within and among countries.</p>
<p><i>ITU / APT assistance programmes.</i></p>	<ul style="list-style-type: none"> • Participated online/study training program and meeting & conferences organized by APT and ITU. 	 <p>SDG 17 – Partnerships for the goals. Revitalize the global partnership for sustainable development.</p>  <p>SDG 4 – Quality education. Ensure inclusive and quality education for all and promote lifelong learning.</p>

TELCO SECTOR DEMOGRAPHICS



Table 01: Statistical Overview of the Telecommunication Sector

Number of System Licenses	29
Number of Fixed Access Telephone Subscriptions	2,613,140
Fixed Access Telephone Subscriptions per 100 inhabitants	11.9
Number of Cellular Mobile Telephone Subscriptions	28,739,277
Cellular Mobile Subscription per 100 inhabitants	131.1
Fixed Narrowband Subscriptions	58
Fixed Broadband Subscriptions	1,956,325
Mobile Broadband Subscriptions (3G, 4G)	15,567,665
Number of Public Pay Phone Booths	461

*Provisional data

Note - SLT (PLC), Lanka Bell & Dialog Broadband are entitled to provide Pay Phone and Data Services in their licences.

2020 mid-year population = 21.919 Mn

Chart 01: No. of System Licences

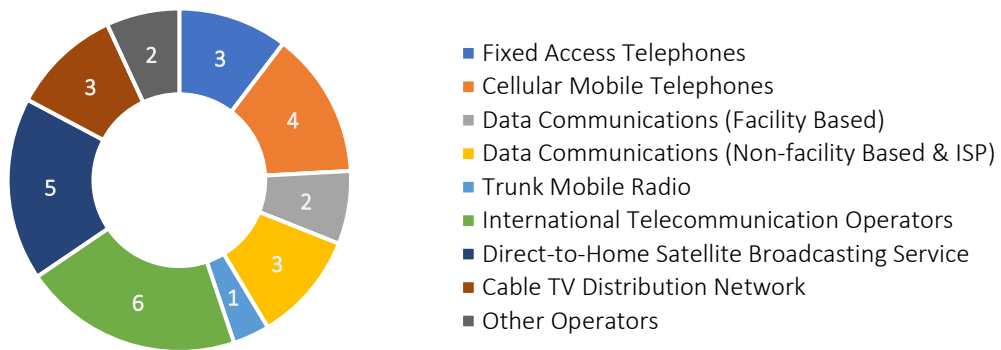
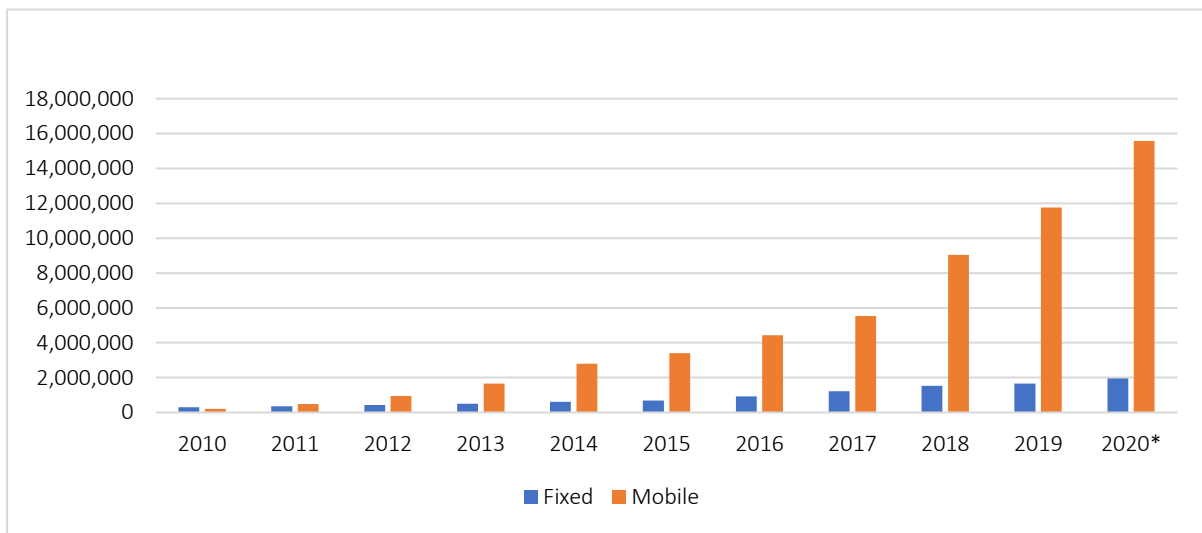
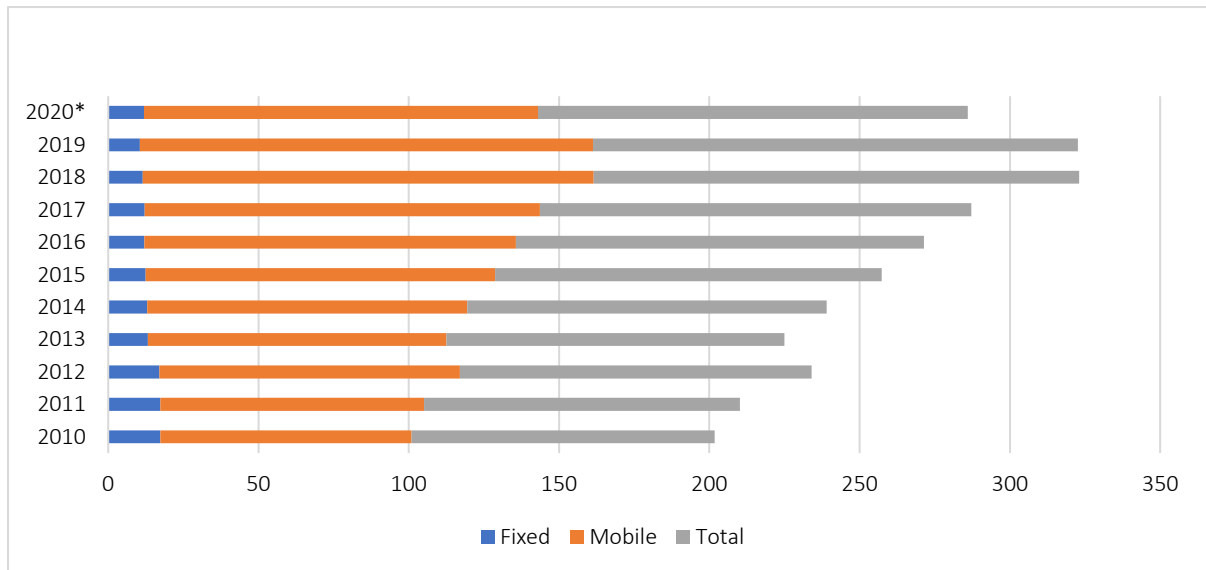


Chart 02: Fixed Broadband, Narrowband and Mobile Broadband Subscriptions



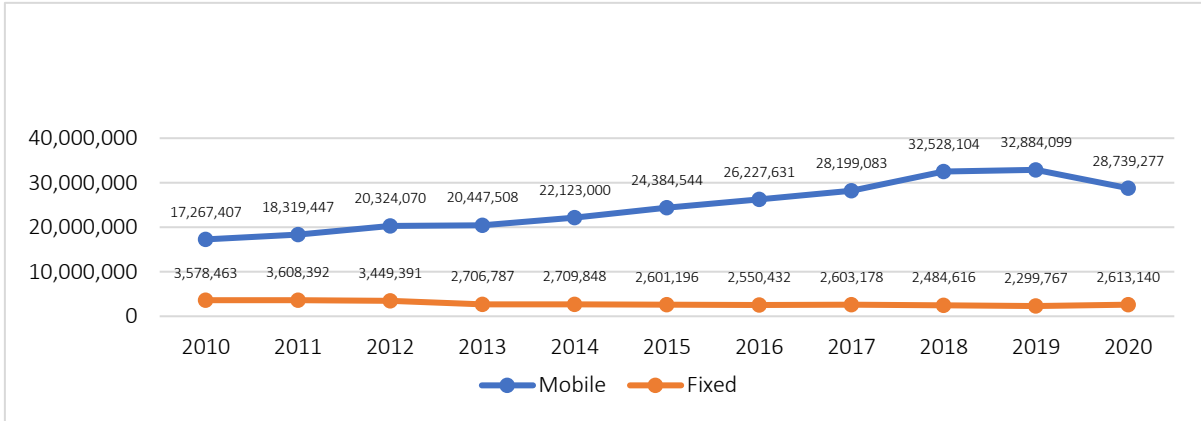
*Provisional data

Chart 03: Teledensity (2010 - 2019)



*Provisional data

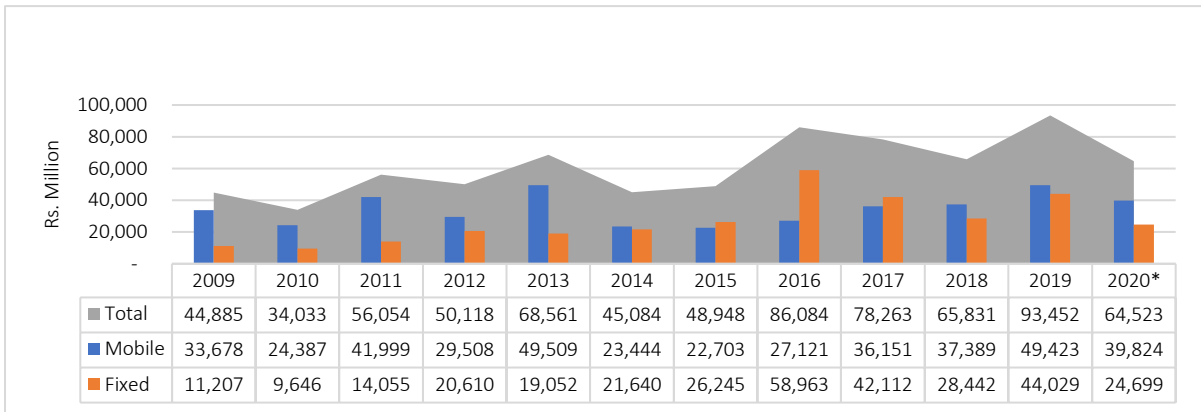
Chart 04: Mobile and Fixed Access subscription growth



*Provisional data

Following table and chart displays on yearly basis the new investments made by the Mobile and Fixed service providers for the period of 2011-2020. [Investments include the additions to property plant, equipment, and intangible assets and work in progress]

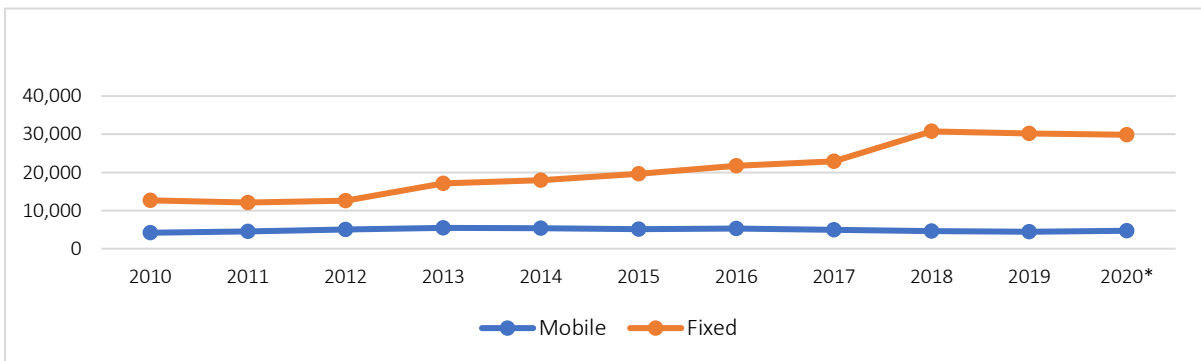
Chart 05: Investments in Telecommunications Industry



*Provisional data

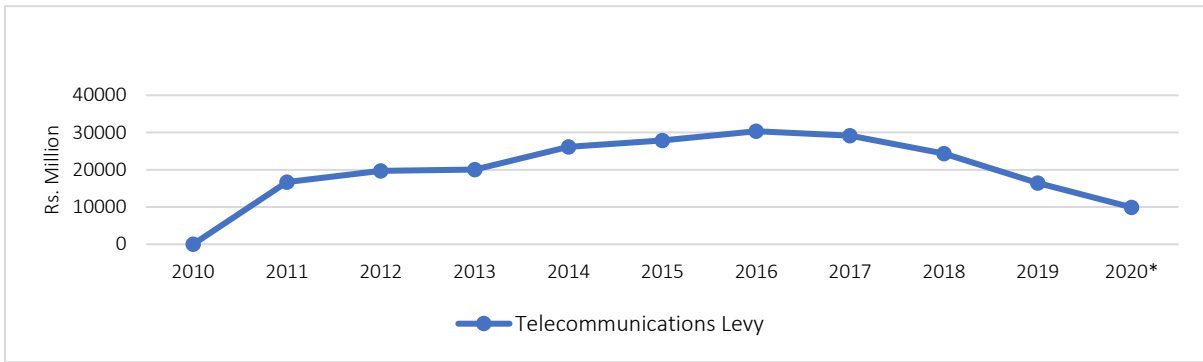
Note: In year 2020, addition to the Capital Work in Progress has not been considered as a part of investment.

Chart 06: The Average Revenue Per User (ARPU) of Mobile and Fixed Access Operator



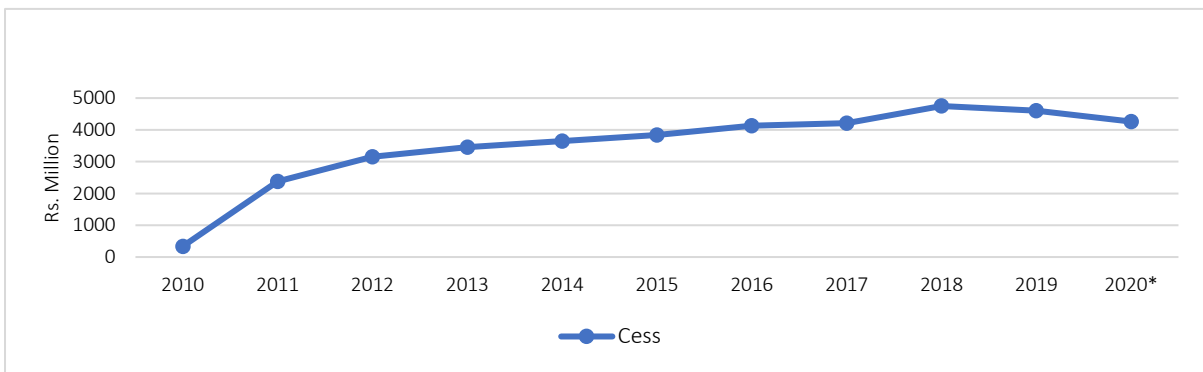
*Provisional data

Chart 07: Growth of Telecommunications Levy



* Provisional data

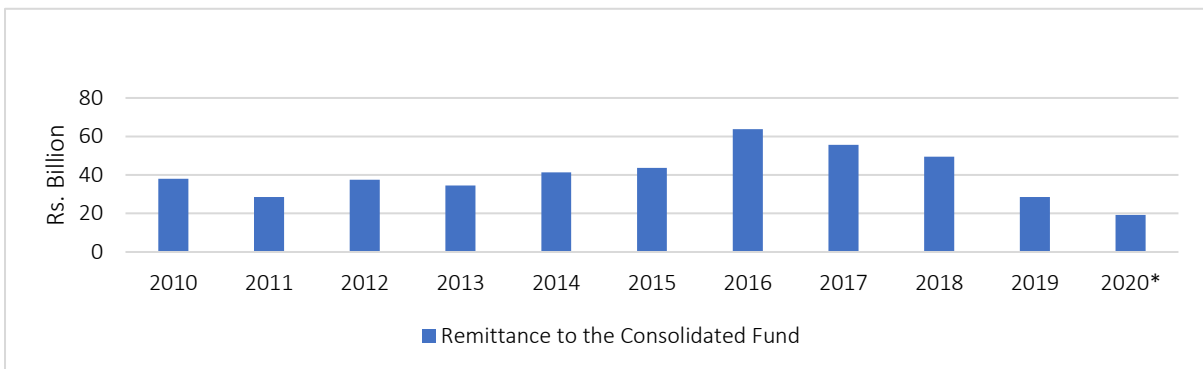
Chart 08: Cess



*Provisional data

TRCSL remittances the sector revenue to the Government Treasury consolidated fund for the country socio economic development.

Chart 09: Remittance to the Consolidated Fund



*Provisional data

LICENCE MANAGEMENT DIVISION

OVERVIEW

Telecommunications Regulatory Commission must ensure the provision of reliable and efficient national and international telecommunication services in Sri Lanka to satisfy all reasonable demands for such services considered essential for the national wellbeing.

Telecommunication services are ensured to be delivered by the operator who is licenced as per the provisions in Section 17 of the Telecommunication Act No. 25 of 1991 as amended by Act No.27 of 1996.

As per the above-mentioned section of the Act, no person shall operate a public telecommunication system in Sri Lanka except under the authority of a system licence.

The system licenses are formally granted by the Minister, subject to public consultation and recommendation of the Commission.

Types of Licences can be broadly categorized as follows in terms of telecommunications infrastructure and services.

FACILITY-BASED LICENCES

This category of licence authorizes setting up of its infrastructure using scarce resources such as frequency spectrum or right of way, numbering that requires for the establishment and operation of any form of public telecommunication network in providing telecommunication services.

NON-FACILITY BASED LICENCES

Operators who have not authorized to set up their infrastructure and are required to lease telecommunication network elements (transmission capacity and switching) from any facility-based operators to provide their telecommunication services to the public. No Limited Resources will be assigned for such licences.

LICENCE CATEGORIES

The Section 17 Licences issued by TRCSL are categorized as follows in terms of infrastructure as well as services.

- i. Fixed Operators
- ii. Mobile Operators
- iii. International Telecommunication Operators (External Gateway Operators)
- iv. Data Communication Operators
- v. Internet Service Providers
- vi. Cable Distribution Network Operators
- vii. Direct to Home Satellite Broadcasting Operators
- viii. Trunk Radio Operators
- ix. Satellite service
- x. Backhaul / Last-mile infrastructure providers

In line with the technology-neutral approach, applicants are invariably influenced by ever-developing market dynamics to employ the most efficient technology for their proposed operations based on their own commercial decisions. It is subject to restrictions imposed by the licence conditions and public interest concerns if any arises.

Once the licence is granted, Licensee will be required to seek TRCSL's prior approval for any subsequent changes to their networks and service offerings.

The assignment of scarce resources requires spectrum, numbers, rights of ways etc., which are not considered as a part of the Licence and will be assigned as per the availability.

Facility-based Licensees are permitted to provide the services to third parties including other licenced telecom operators, business customers and the general public.

Facility-based licences are issued for a period of ten years and five years, but the validity of the non-facility-based licence is limited to five years. Licences can be renewed under the same or/with different conditions depending on the performance for a period not exceeding its original duration.

Licence fees will be determined by TRCSL from time to time depending on the type of service to be offered. In addition, the Licensees are required to pay Cess and Telecom Levy.

LICENSING PROCEDURE AT TRCSL

The processing of applications for licences is following the provisions in Section 17 of the Act and licensing guidelines published in Extraordinary Gazette No 1435/20 dated 10.03.2006.

Parties interested to apply for a Licence under Section 17 of the Act should submit their proposal to TRCSL per the requirement outlined in the Licensing Guidelines and Procedures.

1. TRCSL does not pre-determine the number of Licences to be issued. However, due to the public interest and market conditions, TRCSL may limit the number of licences under certain services based on natural and/or limited resources constraints or any other reasons as required.
2. The Commission will approve the draft Licence if the application will be evaluated successfully as per the criteria stipulated.
3. The draft Licence will be made available for the public to make representations /objections.
4. TRCSL will investigate the representations/objections received and make necessary amendments upon the acceptance of the Commission.
5. The Licences are issued by the Minister in charge of telecommunications with the recommendation of the Commission.

LICENSING FRAMEWORK

To provide a conducive environment for market growth and improvement of the wellbeing of society, the Commission expects the convergence of technologies and next-generation networks. The following features are also considered by TRCSL in this respect.

- Promote the competition
- Quality of service
- Deployment of new technology
- Efficiency and convergence
- Open Access

REVOCAION OF LICENCES

- Etisalat Lanka (Pvt.) Ltd - Mobile Operator Licence
- Dish TV Lanka (Pvt) Ltd (Currently transfer of ownership request is being considered)

PROCESSING OF RENEWAL LICENCES

- City Cable Links (Pvt) Ltd. - Cable Distribution Network Operator Licence
- Dialog Broadband Networks (Pvt) Ltd. - Internet Service Provider Licence
- TATA Communications Lanka (Pvt) Ltd. - Internet Service Provider Licence

PERFORMANCE OF THE YEAR 2020

The current Licence Framework has not undergone significant changes since its introduction and is based on the infrastructure type with service restrictions. However, with the advent of technological convergence, a wide spectrum of services can be availed with a single infrastructure. Limiting services may impose constraints on the developing market dynamics. Therefore, the importance of the introduction of a new licensing framework to facilitate application service provision has emerged. The existing licensing framework is under review and the introduction of a new licensing framework is underway to introduce unified licensing mechanisms by removing the unintended regulatory barriers to the telecommunications industry along with technological development. Assistance will be given by the International Telecommunication Union (ITU) for this activity.

Similarly, the network approval is an extreme requirement of Section 17 licence and it has not been properly annexed to the licence in the past. Therefore, an initiative has been taken to implement this based on surveys of the operator network/service.

The current Licence guideline is set for issuance, renewal and modifications. However, no separate and dedicated chapter is available for renewal. The current renewal procedure for a new Licence causes an undue delay in the renewal of licences. Therefore, this guideline is revised and new chapters for renewal, revocation, transfer of ownership etc. are included.

NETWORKS DIVISION

OVERVIEW

Networks Division of the Telecommunication Regulatory Commission is responsible for regulating issues related to public and private telecommunication networks operating in Sri Lanka.

Areas that come under the purview of Network Division are managing the National Numbering Plan for public telecommunications networks, assigning signalling codes, assigning mobile network codes, assigning object identifiers, facilitating telecom infrastructure deployment, licensing of telecommunications equipment vendors, issuance of type approval certificates, import and customs clearances for network equipment, enabling the introduction of new technologies to the telecommunication networks in Sri Lanka.

FUNCTIONS

Main functions carried out by Network Division under different areas in the year 2020 under the provisions in the Telecommunications Act are described below.

NUMBERING

Numbering resource that is required for telecommunications networks is a scarce resource as such TRCSL is responsible for managing the National Numbering Plan of the telecommunications industry of Sri Lanka. The Numbering Plan sets out the framework and guidelines for the use of numbering resource available for telecommunications networks in the country. Since Numbering is a scarce resource, it has to be managed with proper planning. Hence the Numbering plan is revised from time to time according to the demand of the industry which depends on new developments and current trends in the industry. Given below is a summary of the activities related to this function.

- Managing the national numbering resource
- Assigning Short Codes for Government and private organizations
- Coordinating with telecommunications operators on matters related to Short Codes.

- Allocating International and National Signaling Point Codes, network codes to telecommunications operators
- Allocating Object Identifiers

IMPLEMENTATION OF NUMBER PORTABILITY

A policy decision has been taken by the Commission to implement Number Portability in telecommunication networks of Sri Lanka. An internal committee has been formed under the leadership of the Networks Division to propose a suitable methodology by studying the international best practices and also obtaining views from the industry and other stakeholders. Initial studies have been conducted and the draft public consultation document has been prepared.

INFRASTRUCTURE DEPLOYMENT

Facilitation of deployment of telecommunications infrastructures such as copper or optical fibre networks, undersea cable landing stations, and telecommunication antenna towers is another main function carried out by Network Division. Telecommunications operators make requests to obtain clearance for expansions of existing networks or to introduce new services using above mentioned physical infrastructure facilities. Network Division facilitates those by way of issuing relevant approvals through coordination with several other related Government organisations.

Due consideration is given to the matters related to environmental impacts, health and safety issues, national security and also to the public interests while maintaining sustainable development of the telecommunication industry. The duties carried out by the division concerning these are summarized as follows.

- Coordinating with various Government organizations such as the Ministry of Defence, Central Environmental Authority and Urban Development Authority on matters related to telecommunication infrastructure deployment.
- Processing of application for erection of Antenna Structures Management System (ASMS) software. During the year 2020, all Operators have been submitted their On-Air Site list. Reconciliation of Operators' details is carried out with data available in ASMS for about 50% of records.

- Facilitating licensed telecommunications Operators in the implementation of their infrastructure deployment projects.
- Conducting public awareness programs on telecommunication infrastructure deployment.
- In coordination with Policy and International Relations Division, conducting Local Training Course on IPv4/IPv6 BGP Routing for Operator in Sri Lanka with the assistance of APT & APNIC
- Handling public complaints regarding telecommunications towers.
- Studying project proposals submitted by individuals/ organizations about telecommunication infrastructure deployments and make recommendations and submit reports on the same.
- Finalized the revision of guideline on antenna structures which addresses the practical difficulties in the approval process and facilitates the unhindered development in the Telecommunication Industry while paying due attention to public health, safety and other concerns.
- Preparing Technical Standards Guide for Provision of Communication Services in High Rise Buildings.

Considering the technical constraints prevailing in 4G deployment, approval of the Commission was granted to relax the Antenna Structure Farm (ASF) concept of the existing Antenna Structure Guideline. With this modification, it is expected to erect towers with more than 30m in height in the locations situated at least 2km away from the center of the nearest ASF. Therefore, the deployment of necessary towers can be expedited for the expansion of 4G coverage in the entire country.

CONTROL OF ILLEGAL OPERATION OF CABLE TV SERVICES

Under Section 22(A) (1) of the Act, no person shall perform cabling work in any premises except under the authority of a license issued by the Commission for that purpose. Networks Division is engaged in controlling the provision of illegal cable TV services throughout the island with the assistance of the Criminal Investigation Department.

MONITORING THE OPERATION OF CABLE TV SERVICE PROVIDERS

As per paragraph 22 of the System licence issued under Section 17 of the Sri Lanka Telecommunications Act. No. 25 of 1991 as amended by the Sri Lanka Telecommunications Amendment Act, No. 27 of 1996, the operator is obliged to provide technical, commercial and other information to the Commission if required.

The Network Division collects the above information on the Cable TV Network Operation quarterly and makes arrangements for physical inspections of the control rooms randomly.

TYPE APPROVAL & EQUIPMENT CLEARANCE

TRCSL is empowered to approve types of telecommunication apparatus that may be connected to a telecommunication system in terms of the provisions of Section 5(q) of the Telecommunication Act. In exercising the duties entrusted in section 5(q), TRC has mandated all operators in Schedule 2 of System Licence issued under Section 17 of the Act, to connect telecommunication apparatus which is type approved by the Commission.

Accordingly, telephone instruments, fax machines, Private Automated Branch Exchange (PABXs), modems, cordless telephones and any other customer premises equipment to be connected to the licensed networks require type approval whether those are locally manufactured or imported either by operators, vendors or individuals.

Network Division is responsible for carrying out the type-approval procedure for terminal network equipment and issuing authorization letters to Customs/BOI/Import controller for importing all network related equipment. The functions carried out in this regard are summarized as follows.

- Carrying out type approval procedure of telecommunication terminal and network equipment.
- Making recommendations to Customs/BOI/Import controller for clearance purposes by way of approval letters.

- Ensuring compliance of technical standards of network equipment in the telecommunications sector in Sri Lanka by the recommendations and guidelines of the ITU.
- Issuing approvals to telecommunications operators to unblock Voice over Internet Protocol (VOID) ports, protocols and applications to prevent illegal international call terminations.
- Assisting Police/Criminal Investigation Department (CID) investigations associated with public security, law and order in matters related to the field of telecommunications.
- Participating in Technical Evaluation Committees of Government Institutions and Public Corporations and provide technical inputs related to telecommunications.

VENDORS LICENSING

Under Section 21 of the Telecommunications Act no person shall manufacture, import, sale, offer for sale, deal-in, hire, lease, demonstrate, maintain or repair any telecommunications equipment or radio communication equipment in Sri Lanka by way of trade except under the authority of a license issued by the Commission. The vendor Licence is the authorization issued by the Telecommunication Regulatory Commission to perform aforesaid activities. Commission approval was granted to revise the Vendor Licence renewal procedure. The functions carried out related to issuing Vendors Licences are as follows.

- Processing applications for Vendor Licences and issuing Licences after making sure that required conditions are fulfilled by the applicant.
- Managing Vendor License regime
- Assisting Police/CID investigations related to public security law and order in matters related to Vendors Licences.

Investigation of Illegal Vendors

Networks Division continued public awareness campaigns and investigation of illegal vendors with the assistance of Sri Lanka Police to force/encourage setting up of legal selling points of telecommunication equipment including mobile phones.

Modification to the conditions of Vendor License

The market for SIM enabled devices has been increased and the importation and sale of these devices have to be regularized for the security and safety of the public. Therefore, the existing condition of the vendor license has been modified to accommodate this requirement.

PERFORMANCE OF THE YEAR 2020

Table 02: Statistics pertaining to activities undertaken by the Networks Division

Description	2019	2020
Total No. of Vendor licenses issued	845	794
Cumulative No. of Towers constructed	7160	7312
Total No. of Tower complaints received	168	183
Total No. of investigations handled (Tower related)	80	26
Total No. of court cases related to towers	0	0
Total No. of public awareness programs held	03	04
Total No. of New Type Approvals given	14	09
Total No. of issuance of Import clearances	3797	2400
Total No. of Individual Clearances	15	06
Cumulative No. of New Short codes issued	78	18

NUMBERING

Allocation of Short Codes

Short codes are assigned to organizations in situations where expeditious access by the general public or customers is required. Two different short code ranges have been identified based on the nature of the organization such as one range for Government organizations and the other for private sector organizations. Short code range 19XX has been allocated for the assignment of Four-Digit Short Codes for Government organizations. Similarly, short code range 13XX has been allocated for the assignment of Four-Digit Short Codes for Private Sector organizations.

Government Organizations

In the year 2020, eleven (11) short codes in the 19xx range were assigned to Government organizations. Names of the organizations and the respective short codes are listed in the table below.

Table 03: Short codes assigned for Government Organizations

Organization	Short Code
Sri Lanka Railway Department	1971
Lanka Sathosa Limited	1998
Health Promotion Bureau	1999
Airport & Aviation Services (SL) Ltd	1994
Police Headquarters	1997
Police Headquarters -Criminal Investigation Division	1917
National Savings Bank	1972
Mahaweli Authority of Sri Lanka	1976
Central Environmental Authority	1981
National Youth Services Council	1940
National Operations Centre for Prevention of COVID-19 Outbreak	1906

Private Sector Organizations

In 2020, six (06) short codes in the 13xx range were assigned to Private sector organizations. Names of the organizations and the respective short codes are listed in the table below.

Table 04: Short codes assigned for Private Organizations

Organization	Short Code
Litro Gas Lanka Limited	1311
Union Assurance PLC	1330
Dialog Axiata PLC	1377
Sampath Bank PLC	1390
Laugfs Lanka PLC	1355
Ceylon Biscuit Ltd.	1345
	1310

INFRASTRUCTURE DEPLOYMENT

Construction of Telecommunication Towers

The cumulative number of telecommunication towers constructed has been increased up to 7312. This includes the construction of 152 new towers in 2020.

Handling of Infrastructure Deployment Complaints

Networks Division carried out 80 investigations in 2020 for the complaints made by the general public against tower construction. There were no telecommunication towers related court cases in 2020. 183 towers related public complaints were received in the year.

Public Awareness Programmes

In 2020, Networks Division conducted four (04) public awareness campaigns with the assistance of professionals specialized in this field. The main objective of these awareness programs was to educate the general public on issues related to antenna towers such as electromagnetic radiation and lightning.

VENDOR LICENSING

Total number of 794 vendor licenses were issued to different types of telecommunications equipment vendors in the year 2020.

TYPE APPROVAL & EQUIPMENT CLEARANCE

Networks Division continued the regulatory function entrusted in respect of the processing of requests made for the issuance of type approvals and clearance letters for the importation of network related equipment.

Table 05: No. of Equipment Clearance & Type Approvals issued

Description	No. of documents issued in 2020
Equipment clearances	2400
Type Approvals	09

SPECTRUM MANAGEMENT DIVISION

OVERVIEW

Radio Frequency Spectrum is a natural and limited resource that must be managed properly to maximize the benefits that can be accrued using the same to enrich the quality of life of the society and growth of the economy. The Spectrum Management Division has been empowered by the Commission to fulfil its obligations mandated by the Sri Lanka Telecommunications Act in respect of all spectrum-related matters and to manage the radio frequency spectrum efficiently being a scarce national resource.

Under Section 10(a) of the Sri Lanka Telecommunications Act, the Telecommunications Regulatory Commission of Sri Lanka (TRCSL) is the sole lawful authority in Sri Lanka to manage and control the use of the radio frequency spectrum and matters relating to the stationary satellite orbit and exercise the power when it deems necessary to withdraw or suspend its use or prohibit any such use of frequencies.

The Commission is also vested with authority under Section 22 of the Act to issue licenses for the users of radio communication services, conserve the radio spectrum and enforce compliance with rules to minimize electromagnetic disturbances produced by radio communication installations.

FUNCTIONS

- Allocating frequency bands under the Radio Regulations (Article 5) of the International Telecommunications Union and the national priorities.
- Spectrum planning.
- Maintaining Master Frequency Register (MFR) such as frequencies, the locations, transmitting power, call signs, etc.
- Assigning frequencies through the issuance of Section 22 licences.
- Monitoring of radio spectrum to detect illegal use, unused spectrum, and under-utilized spectrum.

- Establishing regulations, technical parameters, and standards governing the use of radio spectrum and use of satellite orbit belonging to the country.
- Defining technical standards for radio communication equipment.
- Managing the spectrum to make adequate provision for various services based on their relative importance to the country's socio-economic goals.
- Conducting license conformity inspections of radio communication stations to ensure their operation is following the technical standards and parameters stipulated in the license.
- Spectrum re-farming systematically phases out waning radio communication services to free up new spectrum space to accommodate emerging technologies and new services.
- Maintaining regional and international coordination and cooperation for the use of radio frequencies.
- Verifying the compatibility and the interference-free use of authorized emissions, detecting and identifying the origin of the interferences, and resolving them.
- Collecting license fees payable for use of spectrum.
- Conducting Amateur Radio and Global Maritime Distress Safety System (GMDSS) examinations.
- Granting Type Approvals for Radio Terminal Equipment (RTE)

The radio frequency spectrum is divided into various bands according to the type of service used. The type of service is a broad classification, and the work of the division is implemented as per such classification.

As per Section 22 of the Telecommunications Act, any person who uses a radio frequency emitting apparatus should have a valid license issued by the Commission. The license issued on the payment of a fee as specified by rules made to govern such incidents unless specified otherwise. The conditions of the license are specified and issued together with the license. Conditions may differ from service to service. In the breach of any such condition, TRCSL

has the power to seal the equipment and to revoke the license.

Spectrum Management Division makes sure that the equipment complies with necessary standards and has a frequency approved by TRCSL for operating the equipment, before issuance of an importation clearance when requested by a citizen or a company. This action minimizes radio interferences occurring to licensed spectrum users.

However, Spectrum Management Division receives complaints from users whenever they experience interference affecting their transmissions. The arrangements are then made to identify the source of interference and take necessary remedial steps.

PERFORMANCE OF THE YEAR

Restructure of the Spectrum Management tasks

Spectrum Management Division has been restructured for the smooth functioning of its activities. Besides, a help desk has been set up for handling customer requests along with an online Customer Management System. Furthermore, Semi-Automation of Spectrum Management activities has been initiated to communicate with stakeholders electronically.

Introducing Radio Spectrum Licensing Rules Including Revision of Spectrum Fees

Necessary steps have been taken to issue licences to all users who have been exempted from the frequency licence fee. (Spectrum licence fees have been amended for some licenses and it's been approved by the Commission). Some of the current spectrum fees have not been revised for more than 20 years. The Commission approval was obtained for the proposed spectrum fee revision. The completed draft document has been submitted to the AG's Department for legal clearance.

Upgrading of IMEI Verification System

IMEI Verification System is used to enable the public to ascertain the phones, sold at the market are approved by the Telecommunications Regulatory Commission of Sri Lanka. This system performance has become low, and action was started to upgrade the system to include all radiocommunication apparatus type approval process. Specifications & design requirement concept paper were sent to Administration Division. Due to various administrative issues and the COVID-19 situation in

the country, there was a delay in completing the procurement work in this regard. Therefore, this activity has been transferred to the IT unit in quarter three during the progress reviewing.

Then an initial version of this system was developed locally with the support of the IT Unit and the developed system was tested by the TRCSL. Since it was functioning properly, TRCSL decided to cancel the ongoing procurement process. With the instructions of the Director-General, it was decided to further develop the system.

Establishment of Laboratory

The required equipment to be bought has been identified and the list of equipment was submitted to the Administration Division. Due to the change of the Ministries, the process was delayed and this will be continued in 2021.

Preparation of Spectrum Road Map for next 5 Years / Spectrum Assignment for 5G

TRCSL has commenced initial 5G trials through all mobile operators and allocated spectrum in the 3.5GHz band for the piloting of pre-commercial 5G services. Furthermore, initiatives have been taken to prepare a National 5G Spectrum Policy and strategy in moving towards the implementation of commercial 5G services in Sri Lanka. These endeavors will lay the groundwork for Sri Lanka to innovate new 5G related products and services, paving the way to access the global 5G marketplace and facilitate industries to leverage the benefits of 5G.

TRCSL requested expert assistance to complete this task from the International Telecommunications Union (ITU). The CVs of experts received from ITU were reviewed and TRCSL requested more number of CVs of experts including some other additional information. Due to the prevailing COVID-19 pandemic situation, TRCSL did not receive any proper response from the ITU. Therefore, it has been decided to coordinate this matter with ITU Secretariat in Switzerland. At the progress reviewing, the Director General decided to seek expertise from other international organizations & regulatory institutions to continue this program for the year 2021.

Introducing Broadcasting Licence Management

Several discussions were held with Media Ministry regarding the broadcasting licence management. A

Committee was formed to study and to make recommendations for new licence applications as well as for expansion of existing networks.

Integrating with other Government Agencies on Streamlining of Approvals

Integration with the Department of Customs has been completed in terms of streamlining the approval process. In addition, negotiations were made with other related Government agencies when resolving issues.

Initiatives for Digitalization of TV Transmission

Digital TV broadcasting and Digital Audio Broadcasting were initiated with advisory on best fit technologies for Sri Lanka and alternative approaches such as free to air/view options. The digitalization of TV broadcasting is scheduled to start next year with the collaboration of the Ministry of Media. Discussions were held with related institutions and the Cabinet approval has been obtained to complete this task.

Assignment of frequencies & reforms

The National Table of Frequency Allocation was prepared and posted on the website for the information of the public. Master Frequency Register was updated with System Management Database cleansing.

Assignment of 2600MHz Band for Mobile/Fixed Services was completed. Assignment of frequencies for Tri forces and Sri Lanka Police were done during this year. Furthermore, frequency allocations have been made for education-based TV and Radio channels in coordination with the Ministry of Education and to set up an island-wide communication network for educational purposes.

TRCSL introduced reforms for the importation of Maritime Equipment, Drones, GPS devices. Specific rules made regarding the cancellation of frequency reservations in Broadcasting Services.

Issuance of frequency licenses

Table 06: Number of Licenses issued for Spectrum Users

Category of Service	Year		
	2018	2019	2020
Fixed service	167	160	159
Broadcasting service (Television and Radio)	39*	49	41
Trunking/Paging/Citizen Band	10	07	5/1
Data / Radio Telemetry Service	20/28	45/47	18/23
Aeronautical and Maritime Services			
(i) Aircraft stations	74	69	67
(ii) Ship stations	94	121	105
(iii) Maritime mobile	1041	575	174
(iv) Aeronautical mobile	12	08	08
Private mobile radio service	361	193	159
Amateur Radio	33	64	46

*Only Main Licence count

Table 07: Complaints Received and Investigations Undertaken

Service	No. of Complaints Received		
	2018	2019	2020
TV and Sound Broadcasting	5	5	2
Other Services	32	22	23

Table 08: Complaints Received and Investigations Undertaken

Category of Service	Year		
	2018	2019	2020
Fixed service including CDMA	506	765	781
Broadcasting service (TV and Radio)	57	81	90
Cellular Mobile Services			
(i) Dealer Licence	6526	7263	5010
(ii) Mobile Operators	757	11011	1030
(iii) Private Mobile Radio	190	155	95
Data Service/ Radio Telemetry	173	130	113
Satellite Service	153	222	138+
Amateur Radio	21	78	20
Low Power Devices	1036	1215	466*
Maritime Communication	-	-	118

*Provisional data

Frequency Monitoring and Investigation

Radio Frequency Spectrum Monitoring is an integral part of spectrum management activities. Issuance of Section 22 licence is ensured a guaranteed use of an interference-free radio communication system. The use of radio communication services without interference is extremely difficult as Radio Frequency transmitters generate spurious and unwanted out-of-band emissions. Also, they drive sensitive receivers into saturation which can cause unexpected interferences. Therefore, detection and mitigation of interference is an extremely challenging task and modern state of the art equipment is required to detect them. Spectrum Management Division maintains three Regional Monitoring Centers (RMC) at Colombo, Kadirana, and Kandy. Also, maintain one Remote Monitoring Stations (RMS) at Yakkala for this purpose. TRCSL owns a modern spectrum surveillance vehicle for its mobile activities. All these systems can be accessed remotely.

Spectrum Division initiated an action to expand monitoring activities island-wide by procuring a network of equipment for this purpose.

Establishment of an Island Wide Monitoring System /New Automated Spectrum Management System

It was decided to complete these two activities simultaneously. Furthermore, the procurement activities of Integrated Frequency Management and island-wide Monitoring System were initiated. This work will be continued in the year 2021.

Introduction and Enforcement of Type Approval Rules 2020 for Radio and Telecommunications Terminal Equipment (RTTE)

The Telecommunications Regulatory Commission of Sri Lanka (TRCSL) has published a new Type Approval Procedure for RTTE that came into effect on December 16, 2020. The new Type Approval Procedure is applied to all types of RTTE intended to be imported, marketed, manufactured, or used in Sri Lanka. All type approval certificates issued before December 16, 2020, under the old scheme will expire automatically on June 17, 2021.

1. The main objectives of the RTTE Type Approval Rules are therefore to:
 - a. Define the process for the Type Approval of RTTE.
 - b. Ensure the operating frequency of RTTE conforms with the National Frequency Allocation Table (NFAT) of Sri Lanka.
 - c. Ensure that RTTE would operate within specified technical specifications without causing interference to other radio communications services or telecommunications networks and would not be susceptible to external sources of radio frequency interferences.
 - d. Ensure that electromagnetic disturbances generated by RTTE do not degrade the operation of other

- equipment working in proximity and RTTE should have an acceptable level of immunity to the electromagnetic disturbances which may occur as a result of the operation of other equipment nearby.
- e. Enable the users to become aware of the need to ensure that RTTE conforms to national standards set out in Appendix E and RTTE Rules before procuring.
 - f. Protect the health and safety of end-users from electrical hazards or any other harmful emissions that may arise out of the use of RTTE.
 - g. Safeguard users from RTTE that are non-compatible with the telecommunications networks in Sri Lanka.
 - h. Facilitate competition in the supply of RTTE and stimulate the availability of a wide variety of RTTE at affordable prices to the users.
2. Some of the most important items included in this Type Approval Rules are:
- a. There are two approval schemes under the RTTE Type Approval Rules:
 - Standard Type Approval: Any RTTE (Radio Telecommunications Terminal Equipment) that has not been type-approved before.
 - Simplified Type Approval: When any RTTE has already been Typing Approved by the Commission. This process does not require the submission of the test report; however, a representative sample would be required.
 - b. TRCSL only accepts test reports from accredited testing laboratories (ILAC accredited laboratories in accordance with ISO / IEC 17025). The date of the test report shall not be older than three (3) months at the date of application.
 - c. All type approved RTTE shall have a label permanently affixed on the packaging of RTTE and the labels must be purchased from TRCSL.
 - d. Processing time Standard Type approval is 30 working days. Fast track scheme for Type Approval is also available with additional payment.
 - e. Validity of Type approval certificate is 4 years.
 - f. The following RTTE may be exempted from Type Approval.
 - Short range infrared remote-control equipment such as TV remote controls, garage door opener.
 - RTTE embedded in Desktop Computers and Laptops that use short-range radio technologies such as WIFI, Bluetooth.
 - Transmitter equipment with output power below 50 MW
 - RTTE installed in a vehicle such as car navigation units, remote car keys that use short range technologies such as WIFI, Bluetooth.
 - Individuals who brought RTTE into the country for their personal use under Section 27.

Type Approval fee structure has been introduced for issuance of Type Approval certificates

- a. A sample shall be submitted along with the application. The Commission reserves the right to require up to two sample units of the RTTE being applied for Type Approval - the samples submitted with type approval application will be retained for a period of 2 years.

The Amateur Radio Operator's Licence exam conducted by the Commission

The Commission which has been vested with the responsibility of issuing certificates of competence in Amateur Radio Operation conducts three examinations with the assistance of the Department of Examinations. The Amateur Radio Operator's Licence comprises three categories:

1. Amateur Radio Operator's Advance Class Licence
2. Amateur Radio Operator's General Class Licence
3. Amateur Radio Operator's Novice Class Licence

Any person above fourteen (14) years of age is eligible to enter the examination. The Examination comprises of two compulsory written papers, one on Advanced Electrical Technology & Radio Communications and the other on Licensing conditions, Operating practices & procedures. There will be a practical test on Morse Code only for the Advance class candidates who were a success in written papers.

Examinations are usually conducted in English Medium once a year. The required application form could be obtained from the Commission or from the TRCSL website. The other details could be obtained from the Commission and from the gazette notification, which would appear four weeks prior to the date of the examination. The syllabus could be obtained by making a payment to the Telecommunication Regulatory Commission of Sri Lanka.

Examination fees:

Category of Examination	Fee for Part 01 (Rs.)	Fee for Part 02 (Rs.)
Advance Class	250.00	125.00
General Class	125.00	-
Novice Class	125.00	-

Note: Excluding Government Taxes and Levy.

TRCSL conducted an Amateur Radio Operator's Licence exam last year and 156 candidates attended the examination. The following table shows the examination result information. Out of 18 students, 10 students (55.5%) obtained Amateur Radio Operator's Advance Class Licence. Out of 79 students, 39 students (49%) got through Amateur Radio Operator's General Class Licence. Out of 65 students, 21 students (32%) passed the Amateur Radio Operator's Novice Class Licence examinations, respectively.

Amateur Radio Operator's Licence Examination Result

Category	Advance class	General Class	Novice Class
PASS	10	39	21
FAIL	2	7	30
ABSENT	6	27	14
TOTAL	18	73	65

COMPETITION DIVISION

OVERVIEW

The Competition Division handles regulatory activities to provide an efficient, fully fledged telecommunication service that fulfills the interest of consumers as well as Operators. While maintaining fair charges and quality service, this division regulates tariff matters, interconnection services, publishes industry information analyses operator performance, and provide necessary advice to the parties concerned. Promoting Operators to provide telecommunication facilities to unserved and underserved areas also one of the aspects of this division. The telecommunication levy, International Telecommunication operators levy, Cellular tower levy, Mobile short message service levy, and Cess are collected by this division. Foreign experts on evolving telecommunication technology that provide new services are essential for the new projects of operators and visas of such professionals are being processed.

Functions

- Monitor trends through the analysis of financial and operational performance of licensed operators.
- Collect and analyze statistical information of the industry.
- Collection of Government taxes/levies (Telecommunications Levy, Cess, Cellular

Tower Levy and Mobile Short Message Service Levy) from the industry.

- Facilitate to obtain relevant visas of foreign experts who are involved with the Telecommunications related projects in Sri Lanka.
- Collect information relating to interconnection & handle relevant issues when arise.
- Regulates tariff
- Conduct projects for improving telecommunications infrastructure facilities in unserved and underserved areas with the assistance of telecom operators.
- Organize awareness programs on Telecommunication & ICT Waste management.
- Ensure collection of International Telecommunication levies correctly and timely.
- Collecting of Audited Accounts of Licensed Operators.
- Analyzing of PSTN Operators' Revenue, profit & loss and Investments.

PERFORMANCE OF THE YEAR 2020

Subscriber base

The Mobile and Fixed Access Subscriber base as at 31st December 2020 was 31,352,417. In the year 2020 Cellular Mobile Operators demonstrated a decrease in subscriber base compared to the year 2019 and Fixed Access Operators demonstrated an increase in subscriber based compared to the year 2019.

Table 09: Number of Mobile and Fixed Access Subscriber bases

Category	2018	2019	2020*	Percentage of change	
				2018-2019	2019-2020*
Mobile	32,528,104	32,884,099	28,547,381	1%	-13%
Fixed Access	2,484,616	2,299,767	2,604,177	-7.4%	13%
Total	35,012,720	35,183,866	31,151,558	0.5%	-11.4%

*Provisional data

Average Revenue Per User (ARPU)

The ARPU (per annum) for the year 2020 for Mobile Operator category was Rs 4,718 (estimated) and demonstrated a 6% increase compared to ARPU of

2019. As well, the Fixed Access Operator category demonstrated a 1% decline against last year.

Table 10: ARPU of Mobile and Fixed Access Operator

Category	2016	2017	2018	2019	2020*	Percentage of change			
						2016-2017	2017-2018	2018-2019	2019-2020*
Mobile	5,258	4,977	4,591	4,441	4718	-5%	-7.7%	-3.3%	6%
Fixed Access	21,691	22,911	30,745	30,171	29,834	6%	34%	-1.9%	-1%

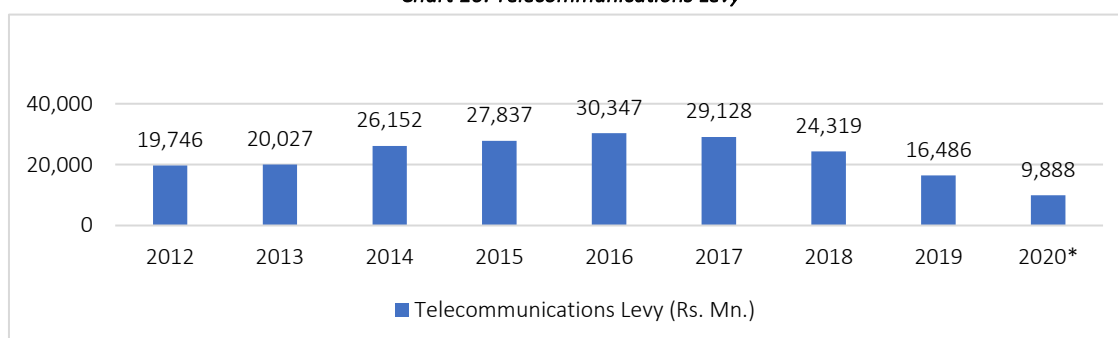
*Provisional data

Telecommunications Levy (TL)

Telecommunications Levy was introduced by the Government of Sri Lanka as a “single rate tax” for the telecommunications industry in the year 2011 and initially, the levy rate was 20% on the value of supply. A concessionary TL rate of 10% was imposed on Internet Services since the beginning of 2013 with a view of promoting broadband services. The TL rate on other Telecommunications services remained unchanged. With effect from January 2014, the TL rate of 20% was increased to 25% and

the TL rate on internet services remained unchanged at 10%. Subsequently, with effect from September 2017, the Levy on internet services was abolished and it resulted in a decline in TL collected for the year 2017 compared to 2016. In November 2018, the TL rate on the Telecommunication services was changed from 25% to 15% with effect from 10th November 2018. Again, the TL rate was reduced in December 2019 by 25% and as a result that the current TL rate is 11.25%.

Chart 10: Telecommunications Levy

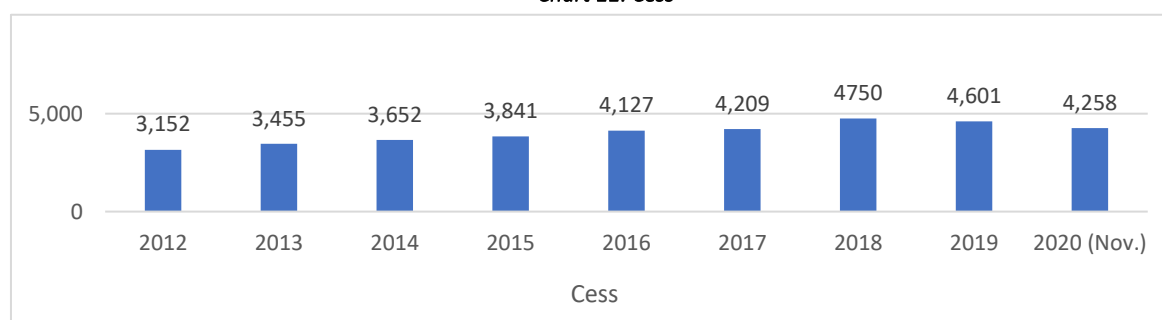


*Provisional data

Cess

Under the provisions of the Section 22G of the Sri Lanka Telecommunications Act No. 25 of 1991 as amended, Cess is collected from Operators.

Chart 11: Cess



Cellular Tower Levy (CTL)

Cellular Tower Levy was imposed under the Part XII of the Finance Act No. 35 of 2018 with effect from 01st January 2019. As per the aforesaid Finance Act, each Mobile Operator must annually pay Rs. 200,000 per tower. Further Mobile Telephone Operator must pay cellular tower levy for the towers

which is not owned by the mobile operator, but they use it. Levy of Rs. 200,000 must be equally shared by the operators who share the tower. The Levy should be paid to the Telecommunication Regulatory Commission quarterly. The collection of CTL of 2020 demonstrated a 3% increase against 2019.

Table 11: Cellular Tower Levy

Year	2019	2020	% of Change
Total	1,384,526,669.00	1,426,333,333.68	3%

Mobile Short Message Services Levy (SMS Levy)

Levy on Bulk SMS was imposed by the Part XIII of the Finance Act No 35 of 2018 and regulations for the implementation have been given by the Gazette Notification No. 2014/16. Accordingly, Mobile Operators must pay Rs. 0.25 per SMS which sends through mobile phones to a group of recipients for commercial purposes. This Levy is collected by the Telecommunications Regulatory Commission on monthly basis with effect from 01st January 2019. The collection of SMS Levy of 2020 demonstrated a 0.08 % decrease against 2019.

Table 12: Mobile Short Message Services Levy Collection

Year	2019	2020	% of Change
Total	419,023,886	418,650,661	0.08%

Recommendation of Visa Applications

As the Telecommunications industry is a rapidly changing industry, the operators continuously strive to upgrade their networks with the emerging technologies in the world. To obtain the expertise, the operators hire overseas industry professionals to work on their special projects. On behalf of the operators, the Commission recommends visas of such professionals to the line ministry. During the year 2020, a total no. of 95 visa applications of such professionals were processed by the division.

Handling Industry Information

The competition Division collects Industry data and publishes information periodically on the TRCSL website. Further, the division submits industry information for national and international institutions such as the Central Bank of Sri Lanka, Department of Census and Statistics, International Telecommunications Union (ITU) and Asia Pacific Tele-community (APT).

Handling Interconnection

The Competition Division initiated a process to review the existing Interconnection rates which were determined in 2010. The Commission requested operators to submit their views in writing to the Commission and the industry meeting was held with consideration of the operators' submission/views. All operators agreed to continue with the existing Interconnection rates and the initiated process was terminated.

Tariff

Tariff approvals were granted for 10 seasonal tariff offers, 60 promotional basis tariffs and 40 permanent basis tariffs of licensed Telecom Operators during the year 2020.

Apart from that, following activities were conducted during the year 2020.

- Free Access for e-Thaksalawa learning platform for school children. TRCSL has made arrangements for all the Government schools to access the e-Thaksalawa platform (the official e-learning platform) without any data charges.

- Free Access for LEARN Platform for State University Students

TRCSL and University Grants Commission (UGC) have entered into an agreement with telecom operators in Sri Lanka to provide free access to University Learn Management System for the academic community during this period.

- Special Tariff packages approved for Work from Home (WFH) and Study from Home (SFH) activities

During the COVID-19 period, Work from Home packages and Study from Home packages were introduced at an affordable price with the collaboration of Telecom operators to keep continuous connectivity among Government organizations, businesses and societies.

- Approval of “Unlimited” Tariff Offers for YouTube and social media (Facebook, WhatsApp, Viber...)
- Unlimited browsing offers for Television Platforms (Netflix, Amazon Prime)
- Approved special entertainments addons with unrestricted data for identified entertainment platforms such as Netflix, Amazon Prime.

- Arranged free of charge access for all SMS sent to 1919 and for “StaySafe” web portal with the aim of preventing the spread of COVID-19 pandemic.

- Calculation of Tariff Related Statistical Indicators.

ITU maintains a set of different price baskets to reflect different usage patterns and behavior of consumers which will be adjusted periodically to the change in consumer habits. These price baskets cover three different technologies: Mobile Data, Mobile Voice, and Fixed Broadband. Tariff related statistical indicators were prepared by analyzing the monthly usage of mobile and fixed tariff plans by splitting them according to the 5 types of price baskets according to the ITU standards.

- Conduct International Benchmark Study.

ITU compare the Telecom prices among the member countries and publish annually as “ICT Price Trend”. Sri Lanka holds a very good position on Voice and data rates. As per the “Measuring digital development ICT Price Trends 2019” report released in 2020 the followings are the ranks relating to the latest report.

Table 13: Sri Lanka ranks in ITU Price Trend

Category	Rank in 2019	Rank in 2020
Voice + Data Low Usage	14	13
Voice + Data High Usage	33	23
Data only Mobile Broadband	29	8
Mobile Voice Basket	9	7
Fixed Broadband	26	20

“Surakshitha Sannivedanayak” awareness program

Awareness campaigns on e-waste Management were conducted in following Districts.

Kandy, Monaragala, Badulla, Puttalam, Colombo, Gampaha, Anuradhapura, Kegalle, Nuwareliya and Galle Districts.

International Telecommunications Operators Levy Collection (ITO Levy)

Telecommunications Development Charge (TDC) collection was Rs. 4,293 Mn.



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கம ட

சன்னிவேதனய

"இலங்கையை இணைப்போம்"

Gamata

Sannivedanaya

"Connect Sri Lanka"

Aligned with the Government Vision on the creation of a technology-based society (smart nation) and a digitally inclusive Sri Lanka, TRCSL initiated the “Gamata Sannivedanaya” project to identify unserved and underserved areas of the country to achieve a countrywide 100% 4G/Fiber Broadband coverage which is also inline with the ITU Connect 2030 agenda.

Under this project, TRCSL provides monetary support to the telecom Operators through the Telecommunications Development Charge (TDC) fund for implementation and acceleration of 4G/Fiber broadband coverage for identified rural areas.

A key objective of the project is not only to develop and promote a 4G/Fiber broadband network focusing on last-mile connectivity with high-speed internet access, but also ensure affordable broadband services and enhancing the quality of life of rural communities.

The project was commenced with the initiation of an island wide survey to gather information on ground level existing coverage levels on Mobile / Fixed and Broadband services in the country encompassing 14,022 Grama Niladari Divisions and 37,659 villages across 25 districts.

The uniqueness of this project is that all communication towers required for the project is manufactured in Sri Lanka creating a new local industry and Telecom operators are encouraged engage and utilize tower infrastructure manufactured locally based on the local raw materials, technical knowledge and manpower. market for Sri Lankan products within the country. TRCSL has further ensured a tower sharing methodology ensuring optimalization on required capital expenditure for infrastructure which has resulted in a minimal impact on the environment as well.

During the phase 01 of the project, the survey was completed in selected Grama Niladari Divisions of Kalutara, Polonnaruwa, Kurunegala, Matara and Rathnapura Districts. Based on the survey and

technical assessments, the exact numbers of Grama Niladari Divisions have been identified where coverage improvements are needed for Mobile /Fixed communication facilities and Broadband services.

Rathnapura District was selected as the first project considering its rural population density, different geographic characteristics, weather conditions, and income distribution etc. The project directly benefits unserved/underserved populations over 500,000 thereby covering 125 unserved Grama Niladari Divisions (GND) with 4G/Fiber Broadband facilities. This is a boundless opportunity for the community to reach out to ICT enabled education, healthcare, and business opportunities. With the completion of the entire project, it is planned to establish the 4G/Fiber broadband connectivity in all 575 Grama Niladari Divisions in Rathnapura District.

The TRCSL conducted a series of technical meetings with all operators and identified 37 locations to erect new telecommunication towers and base stations. The project is expected to be completed by April 2021. Rathnapura district is to be covered with broadband connectivity covering 602 national and provincial schools, 23 Police Stations, 38 Hospitals, and 1400+ other Government institutions.

“Gamata Sannivedanaya” team as part of the preliminary activities initiated joint visits with service providers to find appropriate locations for tower erection to achieve 100% 4G/Fiber broadband coverage in Rathnapura District.

Kurunegala District was selected for the second phase and technical investigation was conducted to find site locations for tower erections.

“Gamata Sannivedanaya” project (survey on data collection) meeting was held with District Secretaries and Divisional Secretaries in Kandy, Monaragala, Badulla, Puttalam, Colombo, Gampaha, Anuradhapura, Kegalle, Nuwara Eliya, Galle and other selected Districts.

Highlights of Gamata Sannivedanaya “Connect Sri Lanka” Project



Stakeholder planning sessions to achieve 4G/Fiber Broadband coverage initiatives





Summary of Accelerated Coverage Improvement Drives - 2020

Special project initiative parallel to the “Gamata Sannivedanaya”

In line with the implementation of “Gamata Sannivedanaya” (Connect Sri Lanka) project to empower the whole of Sri Lanka with 4G/Fiber technology. It is necessary to find out the whereabouts of telephone signals in the midst of various difficulties, identify the difficulties of rural children engaged in online education and immediately took necessary initiatives with licenced operators to improve the existing service conditions in those areas while providing IT equipment to technical laboratories & classrooms of schools in those areas.

4G coverage facilities provided for Lankagama

Lankagama village is located at the southern boundary of the Sinharaja Rain Forest in the Neluwa Divisional Secretariat Galle District, posing **severe logistical challenges**. As a response for a request made by Lankagama villagers from the H.E. the President, 4G facility was established by Sri Lanka Telecom and Mobitel service providers in parallel with the “Gamata Sannivedanaya” project conducted by TRCSL. Lankagama Adarsha Kanishta Vidyalaya also was facilitated with smart classroom and student would be able to enhance their skills with new IT facilities. And special tribute was offered to the Principal Mr. Sumith Lal for his great dedication to the development of the school for over 18 years at this special occasion. Lankagama Village which is now equipped with high-speed mobile connectivity solution.









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4G coverage facilities provided for Meeyagala

Meeyagala a remote village in the Monaragala District which did not have even basic phone connectivity. Based on the request made by the village, Director General and the Gamata Sannivedanaya team visited the rural village of Meeyagala. At the field visit, technical teams confirmed that there were no communications facilities in the area.

Under the Guidance of TRCSL, SLT, Mobitel and Dialog provided 4G coverage to Meeyagala (24.11.2020) area with the provision of telecommunications services and donation of IT equipment such as Computers, Laptops and Television for the IT lab of Meeyagala Primary School where the students can now access e-learning on e-thaksalawa and follow Nanasa TV.











4G coverage facilities provided for Kelinkanda

TRC brought to notice the lack of connectivity facilities in Kalutara District at Palinda Nuwara Divisional Secretariat area Kelinkanda at Baduraliya where children were studying on the roadside to get 4G connectivity for studies. Director General of TRCSL personally visited the site with “Gamata Sannivedanaya” team and Telco Operators. The core objective of the visit was to establish 4G coverage with immediate effect.

Subsequent to the visit made on 04th December 2020, 4G coverage was provided by SLT, Mobitel and Dialog for Kelinkanda and surrounding remote villages.

Further to that, the foundation stone was laid for a fully-fledged IT Lab for the Kelinkanda Kanista Vidyalaya. Besides, Computers, Laptops and Satellite television connections were also donated to the school.











4G coverage facilities provided for Moragahawewa

In response to the social media and electronic media awareness on the hardships that the students of Moragahawewa, Nawagaththegama have to undergo to attend online classes, “Gamata Sannivedanaya” team of TRCSL visited the area with service providers. Technical planning was made to ensure 4G coverage to Morahahawewa School within three weeks.

Service providers donated IT equipment as well as 4G infrastructure facilities to Danagahawewa Vidyalaya as well. Further coverage expansions were also planned to provide 4G coverage for Moragahawewa, Nawagaththegama Divisional Secretariat area in Puttalam District.







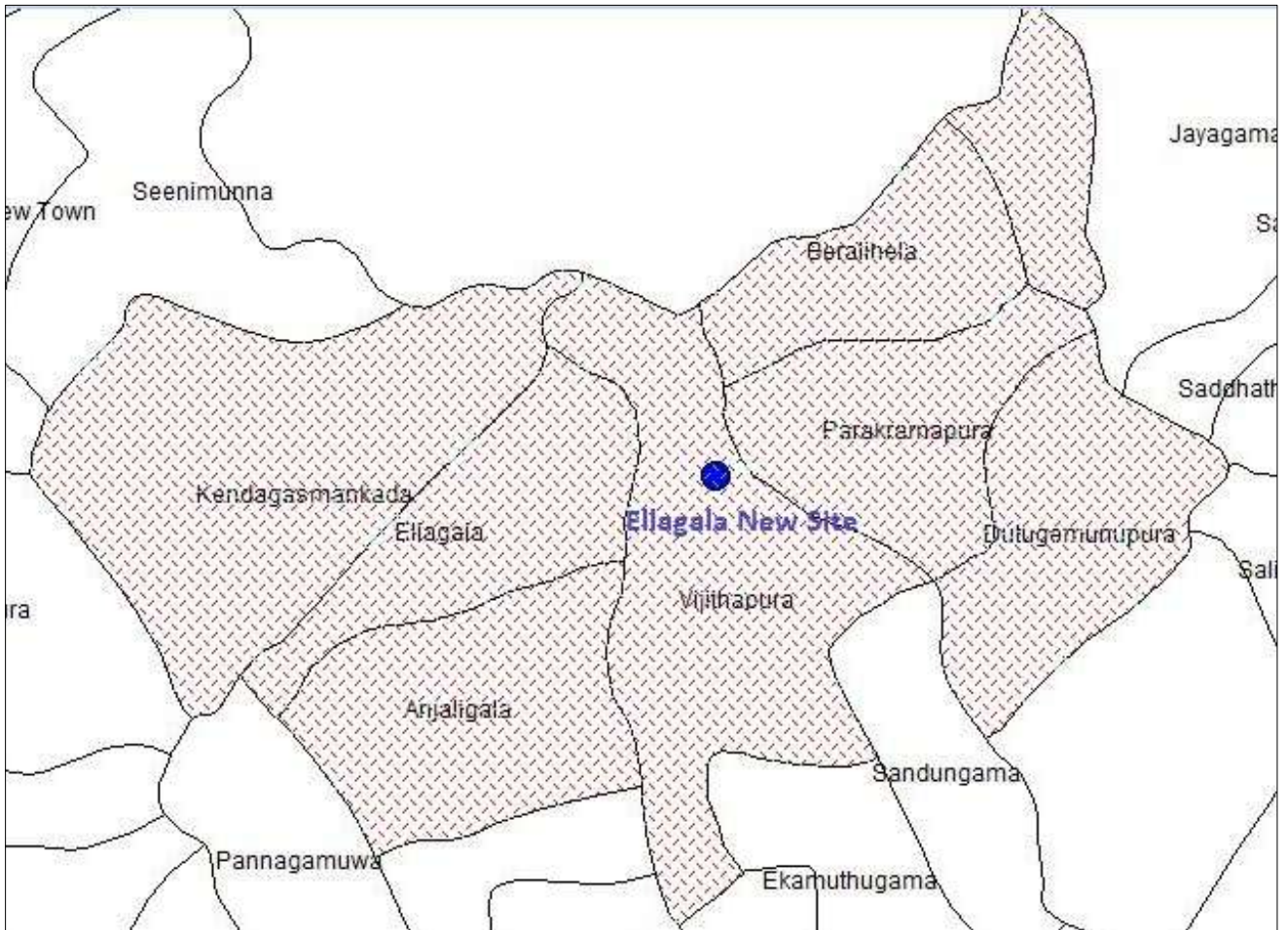




4G coverage facilities provided for Beralihela

With a request made by general public of Beralihela, Lunugamvehera in Hambantota district, 4G facility was established by Mobitel service provider in the Elagalla Hutch tower near Beralihhela area with more than 80% of Beralihela is now covered parallel with the “Gamata Sannivedanaya” project conducted by TRCSL. In this coverage expansion, more Grama Niladhari divisions were benefitted.

Map of 4G coverage provided Beralihela



Highlights of Technical Field visits for coverage improvements

In collaboration with all Telecommunication service providers, TRCSL has completed the coverage improvement via technical field visits in following districts.

- Hambantota District – Beliatta, Walasmulla and Omara
- Matara District – Deiyandara, Deniyaya, Thalapakanda, Dehigampola and Pasgoda
- Galle District – Elpitiya, Bambarawana, Usbimjanapadaya, Liyanagama Kanda, Banangala, Samakanda, Wallambagala and Porawagama.







Enabling Local Tower Manufacturing for “Gamata Sannivedanaya”







POLICY & INTERNATIONAL RELATIONS DIVISION

OVERVIEW

In accordance with the Sri Lanka Telecommunications Act, TRCSL is vested with the authority to advise the Government on policy matters relating to the provision of public telecommunications services and is responsible to negotiate with International Telecommunication Union or its affiliated bodies in all matters associated with telecommunications regulations. One of the objectives outlined in the Act is to promote research into the development and use of new techniques in telecommunications and related fields. The Policy and International Relations Division is empowered by the Commission to assist the local universities/research institutions to conduct research studies and to involve in implementing international and local programs/projects relating to the promotion of international best practices for the development of the telecom sector.

As the focal point of International Telecommunications Regulatory organizations, the division undertakes a wide range of regulatory, coordination, and sector development activities with the assistance of the International Telecommunications Union (ITU), Asia Pacific Tele-community (APT), South Asian Telecommunications Regulators Council (SATRC), South Asian Federation for Infrastructure Regulation (SAFIR) and Commonwealth Telecommunications Organization (CTO).

FUNCTIONS

Policy

- Provide advice on regulatory matters relating to the telecommunication sector.
- Provide financial assistance to conduct telecommunication-related research studies with the assistance of universities and research institutions.
- Carrying out projects either through TRC funds or with the assistance of international organizations to promote ICT literacy among

students in remote areas and communities with special education needs.

International Relations

- Co-ordinate the representation of Sri Lanka in conferences, meetings organized by the International Telecommunications Union (ITU), Asia Pacific Tele-community (APT), South Asian Telecommunications Regulators Council (SATRC), South Asian Federation for Infrastructure Regulation (SAFIR), and Commonwealth Telecommunications Organization (CTO) and participation in seminars, workshops, and training programs organized by various international organizations.
- Disseminate information received from international organizations within the TRC.
- Collect and compile relevant data in coordination with other divisions of the Commission/telecom operators/other Government organizations and provide survey/questionnaire-related information to international organizations.

PERFORMANCE OF THE YEAR 2020

Research and Development in the field of Telecommunications 2019/20

As per the provisions in the Sri Lanka Telecommunication Act, TRCSL is responsible for promoting Research & Development and the use of new techniques in telecommunications & related fields. Policy and International Relations Division provides financial assistance to conduct telecom-related Research and Development activities by State Universities and Research Institutions in Sri Lanka. Two R&D projects were selected considering the relevance to the telecom field and, the project is given below. Initial presentation and two progress presentations have been completed by the respective research teams in the following research studies for the year 2020.

- “Fast Uplink Grant - An adaptation of Artificial Intelligence System for Machine Type Communication” by Dr. C.K.W. Seneviratne, Department of Electrical & Information Engineering, Faculty of Engineering University of Ruhuna. A research paper on this study has been

published at one of the leading international research conferences (IEEE GlobeCom 2020).

- “Real time monitoring of tank and canal water level in urban areas for light flood advance decision points” by Eng. J.K. Jayawardana, Communications Division, Arthur C Clarke Institute for Modern Technology.

TRCSL ICT Volunteer Programme 2020

Over the past few years, TRCSL has organized several programs for the ICT capacity development, empowerment of disabled/ marginalized groups, and uplifting special education in Sri Lanka. “ITU/NIA International ICT Volunteer (IIV) Programme” and “TRCSL ICT Volunteer Programme” are some of the initiatives taken by TRCSL with the assistance of the International Telecommunications Union (ITU), National Information Agency (NIA) of Korea, and Ministry of Education for the capacity development of students with Special Education Needs, teachers involved in Special Education and students of schools in remote areas. TRCSL has dispatched over 100 Korean ICT volunteers and 16 local ICT volunteers for periods ranging up to 3 months, throughout the country during the last 9 years.

With the guidance of ITU, TRCSL organized a local ICT volunteer program last year as a pilot project by restructuring the ITU’s International ICT Volunteer Programme. The program was organized in collaboration with the Ministry of Education, Vocational Training Authority, and with the assistance of universities as well as telecom operators to promote ICT literacy especially among marginalized communities and students in remote areas. Sixteen students who have passed NVQ level 4 or 5 (National Certificate in ICT) and recommended by the Vocational Training Authority (VTA) and National Apprentice and Industrial Training Authority (NAITA) were selected as ICT volunteers for the program. These volunteers were trained for one month through a boot camp. During the first month, they were trained in computer programming, web application development, and pedagogical aspects. Thereafter, they were dispatched (one volunteer per school) to sixteen schools in Anuradhapura, Polonnaruwa, Kalutara & Gampaha districts for two months. It has been reported that the beneficiaries of the local ICT volunteer program include over 300 students and a few teachers.

During the review of the ICT Volunteer program in 2019, there were requests from several schools to extend the period of service of volunteers. Therefore, the services of the available and recommended volunteers (five) were obtained for a further period of two months in 2020. At the end of the assignment, a certificate was awarded to every volunteer appreciating their active participation. ICT volunteers were also considered as target beneficiaries since the experience/exposure that they obtained through this program would enable them to find better employment opportunities. This local ICT volunteer program is expected to be initiated as a major Train-the-Trainer program for bridging the digital divide.

Telecommunications Tower Technician Program

Telecommunications Tower Technician Program was initiated in collaboration with the Tertiary & Vocational Education Commission (TVEC), Vocational Training Authority of Sri Lanka, and telecom operators. Details relating to the development of National Competency Standards and Curriculum have been submitted and, the approval is currently being processed at TVEC.

Telecommunications Surveys and other Questionnaires

- **ITU World Telecommunication /ICT Indicators Questionnaire 2020**

Based on the requests of ITU, a survey on World Telecommunication/ICT indicators was conducted with the support of other divisions of TRCSL and telecom operators. The survey data received from telecom operators have been aggregated, compiled, and submitted within the given time limits. The objective of the survey was to collect/update global data for the calculation of the ICT Development Index since the analysis on the state of global ICT development is extensively relied upon by Governments, international organizations, development banks, and private sector analysts worldwide. The provided data was used to update the World Telecommunication/ICT indicators database, ITU’s statistical publications, and World Bank publications, etc.

- **ITU Global Cyber Security Survey**

The Global Cyber Security Index (GCI) Questionnaire is another survey that has been completed and submitted to the ITU with the support of Sri Lanka CERT and Tech CERT. The Global Cybersecurity Index (GCI) is a multi-stakeholder initiative to measure the commitment of countries to cybersecurity where each country's level of development is analyzed within five categories: Legal Measures, Technical Measures, Organizational Measures, Capacity Building & Cooperation.

- **World Telecommunication/ICT Regulatory Survey 2020 of ITU-D**

The annual World Telecommunication/ICT Regulatory Survey of the ITU Telecommunication Development Bureau (BDT) is a tool for collecting first-hand information from ITU Member State administrations. The survey covers a wide range of ICT policy and regulatory issues and allows us to track the latest ICT trends and evolutions. The division arranged discussions and meetings to collect and compile survey data from other divisions and submitted a comprehensive survey document to ITU within the given time frame. The data collected through annual World Telecommunication/ICT Regulatory Surveys are available on the ITU ICT Eye platform and ITU ICT Regulatory Tracker.

- **ITU/APT Study Group Questionnaires and other surveys**

The division made necessary arrangements to obtain relevant data in coordination with telecom operators/other Government organizations and completed the following surveys and questionnaires after the aggregation/compilation of the collected information.

- ACCIMT (Arthur C Clarke Institute for Modern Technologies) Survey on Space Technology for Sustainable Development: National Survey on the Current and the Potential Use among Public Sector Organizations
- APT questionnaires relating to SATRC Working Group Policy, Regulation, and Services.

- ITU Survey on capacity building regarding Spectrum Management in Asia and the Pacific.

Coordination activities with the International Telecommunications Regulatory Organizations (ITU, APT, CTO, SATRC & SAFIR)

Due to the COVID-19 situation, International Organizations encouraged the member countries to continue their active participation and to make their contributions to related programs through virtual meetings. In this context, the division coordinated with relevant international bodies and planned for the Director General and TRCSL staff to participate in the following important programs.

1. 4th APT Web Dialogue on "Challenges for Telecommunication Regulators in South Asia during COVID-19 Pandemic", 22 June 2020.

Director General and Director/PIR attended this Web Dialog and shared our experiences as well as initiatives taken in response to COVID-19. Sri Lanka's success stories and lessons learned during the pandemic were highlighted and appreciated by the other regulators.

2. CTO Meeting on "Trade, Technology and Innovation in a COVID-19 World", 25th June 2020, London, UK

3. The 21st Meeting of the APT - South Asian Telecommunication Regulators' Council (APT-SATRC-21), 27 - 28 October 2020.

Director General and a few executive officers of TRC attended the meeting. Director General made his contributions by being a panelist for two meeting sessions.

4. Bilateral meetings with other telecom regulators in the South Asian region such as Pakistan Telecommunication Authority & Telecom Regulatory Authority of India.

An online meeting was arranged with Chairman of TRAI and two online discussions were organized with Chairman of PTA to share information and experiences especially regarding the implementation of Number Portability.

5. Online discussions with APT member countries (China, South Korea & Japan).

Online discussions were conducted with high-ranking officials from Ministries and Regulators of APT member countries (South Korea & Japan) on matters relating to the cooperation in the field of ICT and telecommunications.

6. The ITU Global CyberDrill 2020

Director General TRCSL and a few officers from Sri Lanka CERT attended a series of online sessions in ITU Global CyberDrill 2020.

7. 15th Session of the General Assembly (2- 5 Dec 2020) & the 44th Session of the Management Committee (7-10 Dec 2020) of the APT.

Organized the delegation and credentials to represent Sri Lanka in 15th Session of the General Assembly (2- 5 Dec 2020) & the 44th Session of the Management Committee (7-10 Dec 2020) and to vote at the Election of Secretary General & Deputy Secretary General of APT the Asia Pacific Telecommunity (APT).

8. Online discussions with ITU/APT to initiate Expert Assistance programs regarding Spectrum Management Roadmap, IPV6 Implementation and New Licensing Framework.

Capacity building and training programs arranged in coordination with International Organizations

The division coordinated with ITU, APT, and SAFIR and arranged telecom related capacity-building and training programs for officers of the organization. Knowledge sharing sessions have also been organized utilizing conducting post-training presentations.

Necessary arrangements have been made to nominate the relevant TRC officers to participate in 11 Training Programs, 3 seminars, and 3 conferences/meetings for the year 2020 with the approval of the Advanced Training Committee.

Annual subscriptions of the International Organizations

Sri Lanka is a member of the International Telecommunications Union (ITU), Asia Pacific Telecommunity (APT), South Asian Telecommunications Regulators Council (SATRC), and Commonwealth Telecommunication Organization (CTO) and South Asian Federation for Infrastructure Regulation (SAFIR) etc. Subscriptions are paid on an annual basis to maintain the membership of these organizations. Membership payments made to the said international organizations are given in the below table.

Table 14: Annual subscriptions of the International Organizations

ITU	APT	CTO
CHF 159,000	USD 15,420	GBP 25,000
March 2020	March 2020	July 2020

TRCSL received technical assistance, expert assistance, projects, programs and fellowship opportunities for capacity building in the field of telecommunication/Information Communication Technologies from these international organizations.

World Telecommunication and Information Society Day 2020

World Telecommunication and Information Society Day (WTISD) is celebrated every year on 17th May marking the establishment of the International Telecommunication Union (ITU). The main objective of the WTISD is to raise global awareness on how ICTs can be adopted in socio-economic development and bridging the digital divide. The theme for WTISD 2020 was "Connect 2030: ICTs for the Sustainable Development Goals (SDGs)" and ITU invited member states to organize activities to mark WTISD and promote the Connect 2030 Agenda.

The division made necessary arrangements to create public awareness through the TRC website and social media focusing on this year's WTISD theme. Besides, WTISD special messages from H.E. the President, Hon. Prime Minister, Secretary-General of the ITU, Chairman, and Director-General of the TRCSL were also published on our website.

COMPLIANCE & INVESTIGATION DIVISION

OVERVIEW

One of the main objectives of TRCSL is to ensure the provision of reliable and efficient national and international telecommunication services in Sri Lanka. For this purpose, regulatory measures need to be taken to ensure that telecommunication service providers are compliant with their regulatory obligations to provide a reliable, efficient, and quality telecommunications service. This necessitates continuous surveillance, investigation & intelligence of the industry, and enforcement of appropriate regulatory measures. Processing of consumer complaints and finding reasonable solutions to their problems result in customer satisfaction as well as enhancement of the profile. These responsibilities were handled by the Compliance & Investigation Division of TRCSL.

QUALITY OF SERVICE (QoS)

FUNCTIONS

- Monitor the adherence to QoS Standards set out in the License and the Interconnection Agreements by PSTN Operators.
- Monitor the achievement of QoS Parameter Target Values set by TRCSL for PSTN Operator's network performance.
- Preparation of a report on comparison between measured QoS Parameter values by PSTN Operators for voice and broadband services and the audited values by the TRCSL.
- Circulating the comparison report among PSTN Operators for information and improvement of the accuracy of performance measurements.
- Evaluate the accuracy of QoS performance measurements made by PSTN Operators by conducting periodical audits.
- Preparation of Rules and Regulations for QoS of Telecommunication services.

- Monitoring & auditing the QoS at the cell level and discuss with operators for the improvements of QoS provided to subscribers.

PERFORMANCE

- Analyzing submissions of monthly QoS reports received from PSTN Operators and discuss with them for improvements of the QoS parameters where necessary.
- Preparation of comparison report for all four quarters and circulated among PSTN Operators for information and improvement of the accuracy of performance measurements.
- PSTN Operators obtain performance measurement data from the Network Counters and compute according to the equation given by TRCSL, and report back in the form of a QoS Parameter. TRCSL visited the operator's network and reevaluate the computational methodology and the raw data obtained from Network Counters for the calculation of QoS Parameters.

Surveillance

FUNCTIONS

- Monitor the adherence to the terms and conditions of the license issued by the TRCSL under Section 17 of the Sri Lanka Telecommunications Act No. 25 of 1991 as amended, by PSTN operators.
- Monitor the adherence to the conditions of the licenses issued under Section 21 of the Act and take necessary regulatory measures on non-compliance of the conditions.
- Monitor, analyze and adopt regulatory measures to control the offer of unapproved tariff packages by licensed PSTN operators.
- Investigate complaints into illegal call termination to the networks of licensed operators and take appropriate regulatory action as deemed necessary.

- Conduct investigations into the sale of non-type approved telecommunication apparatus by license holding vendors and take appropriate measures if the findings reveal infringement of the terms and conditions of the licence.
- Monitor and investigate the illegal sale of telecommunication equipment by vendors lacking a valid vendor license issued by TRCSL and upon any finding of illegal conduct take appropriate regulatory measures as deemed necessary.
- Monitor and take necessary regulatory measures on the offer of unapproved tariff packages in the market by the licenced operators.
- Preparation of Rules and Regulations relevant to compliance activities.
- Streamline the importation of IMEI-enabled devices to the country.
- Monitor, Inspect and take necessary regulatory measures on the SIM registration by operators.
- Conduct awareness programs to the general public on the requirement of obtaining licenses under the provisions of the Act for the provision of various telecommunication services.

PERFORMANCE

- Investigations into 07 instances of sale of non-type approved telecommunication equipment by vendors have been completed.
- Investigations into 4 instances of offer of unapproved tariff packages by licensed operators have been completed.
- Thirteen (13) inspections carried out to monitor the adherence to Section 17 license conditions by operators.
- Inspections were carried in eight districts to monitor the adherence to Section 21 license conditions by vendors.
- Conducted awareness programs on the requirement of a license to provide telecommunication services.

- Three (03) numbers of physical audits had been carried out to verify as to whether operators have taken measures to re-register subscribers according to SIM Gazette Notification
- Sixteen (16) audits had been completed on charging mechanisms of tariff packages offered to subscribers.

INVESTIGATION & INTELLIGENCE

FUNCTIONS

- Investigate necessary regulatory measures to make and enforce compliance with rules to minimize technical disturbances and all unauthorized practices.
- Intelligence and investigation in regulatory measures to comply with Government directives on National Security, Public order & Defence.
- Provide intelligence advice through advisory bodies as may be deemed necessary for the purpose of advising it on any matter pertaining to the exercise, performance, and discharge of the powers, functions, and duty.

PERFORMANCE

- Provided required assistance to Police/CID for their investigations upon their requests.
- Carried out technical investigations on illegal operations of telecommunication services.
- Streamlined SIM Device/Vendor Registration Processes which includes IMEI verification solution.
- Mitigation of illegal DTH/Cable TV service providers
- Management of Cyber harassment complaints.

Consumer Complaints & Public Awareness

In terms of Section 09 of the Sri Lanka Telecommunications Act, No. 25 of 1991 as (amended in 1996) where a subscriber to a telecommunication service or member of the public makes a complaint to the Commission about the telecommunication services provided by an operator the Commission may make such an investigation as it may deem necessary and shall cause such remedial measures to be taken as the circumstances of the case may require in the course of any.

such investigation the Commission may direct such operator to take such steps deemed to be necessary for the rectification of any cause or matter which gave rise to the complaint and direct financial redress to be provided where appropriate.

FUNCTION

Handling correspondence of consumer complaints received from any member of the public or a subscriber for a telecommunications service. Such complaints are analyzed and forwarded to a relevant service provider with the required recommendations. The consumer relations unit follows up the same with the service provider and takes necessary actions to offer a reasonable justifiable solution to the complainant. In cases, if the complainant is not satisfied with the solution offered by the service provider a meeting is arranged which facilitates both parties to discuss the issue with the involvement of Compliance Division of TRCSL (Consumer Complaints and Public awareness). It facilitates both parties to reach an amicable solution for the issue.

If such an attempt is not successful such complaints are forwarded to the Internal Committee of TRCSL for resolution of consumer complaints.

PERFORMANCE

Handling requests on misplaced mobile phones

In addition to the above service as part of social obligation, TRCSL acts as a mediator in the process of finding lost mobile phones. We forward complaints received daily to mobile operators and responses received for the same are sent to relevant police stations for necessary action.

Awareness Programme

When analyzing consumer complaints, it was observed that the importance of the awareness among the general public on the use of telephones as well as other related issues. Hence, we understand a wide range of awareness programs will provide effective service to society. TRCSL strongly believes that the general public should be educated as to how telecommunication is used ethically. We have a concern about the social responsibility of the regulator on the same.

1. Police officers
We conducted awareness programs/ lectures at National Police Academy Katana, Kalutara Police Training College, In-service Mirihana Police, Special Task Force Colombo, and Sri Lanka Army as resource persons. TV/Radio Programme Numbers of TV programs have been done to educate the general public on basic information within the legal framework of TRCSL.
2. General public
We have made posters, leaflets, and stickers to educate the general public on the ethical use of communication. Posters were delivered to all railway stations, Police stations, schools, and stickers were delivered to Public Transport Commission.

LEGAL DIVISION

OVERVIEW

Legal Division plays a pivotal role for the Commission in rendering advice to the Commission on all legal & regulatory issues. The division manages all litigation matters in which TRCSL is a party.

The role of a Legal Division is necessary for the regulatory functions of the TRCSL. Legal Division has the responsibility to provide a legal opinion in terms of the Sri Lanka Telecommunication Act No. 25 of 1991 as amended and other directly related legislations in the regulatory activities carried out by TRC.

FUNCTIONS

Drafting of agreements, interpreting, advising, and reviewing primary and secondary legislation about the telecom sector e.g.: laws, rules and regulations, and standards are the responsibilities and functions of the Legal Division in TRCSL. Legal Division also provides legal opinions on matters referred by other divisions of TRCSL as well as licensees, stakeholders, ministries/ divisions, and other forums. Legal Division also advises the Commission in the cases requiring legal input on various regulatory matters and initiation of legal proceedings under the Sri Lanka Telecommunication Act No. 25 of 1991. It is also responsible for handling cases filed in Courts of Law such as Supreme Court, Court of Appeal, Magistrate Court, High Court, and Labor Tribunal, etc., where TRC has been cited as a party.

PERFORMANCE OF THE YEAR 2020

In the year 2020 Legal Division was involved and contributed towards many regulatory activities of the Commission despite the lockdown due to COVID-19.

Legal input was provided for Spectrum issues, Vendor license issues, Telecom Operators' Networks related matters, and initiatives for Compliance of Section 17 Licenses of Fixed, Mobile & Cable TV services.

Legal advice was provided regarding several complaints to resolve customer issues.

Legal Division has processed over 346 Court Orders relating to criminal investigation in the year 2020 as an initiative to assist the Police in their investigations of offenses.

We are in the process of formulating new amendments to the current Sri Lanka Telecommunication Act to meet the rapid developments of the telecom industry.

LITIGATION

Eight legal matters were concluded in the year 2020 including the settlement of six Telco-related cases and matters relating to the dismissal of two employees. There are several pending matters in Courts on issues ranging from revocation of licences, frequency spectrum assignments, Section 17 System licence matters, etc. There was a Court case filed against TRC in the year 2020.

SPECIAL PROJECTS DIVISION

OVERVIEW

Special Projects Division is responsible for the implementation of projects of national interest and TRCSL's development projects.

The division mainly engaged in implementing projects to improve the telecommunication industry by providing necessary infrastructure facilities. Furthermore, the division involves conducting research projects that enable the introduction of new technologies in the telecommunication sector.

FUNCTIONS

- Implementation of Colombo Lotus Tower Project
- Continue the development works of Telecommunication Media Center (Hambantota IT Park Project)
- Development of TRCSL Head Office New Building as an extension to the main building
- Renovation and Rehabilitation of Kadirana Frequency Monitoring Station
- Implementation of Lotus Tower Phase 02 Project on vehicle parking facility along with mix development
- Development of research projects

PERFORMANCE OF THE YEAR

In the year 2020 Special Projects Division continued the implementation of following projects.

COLOMBO LOTUS TOWER PROJECT

A centralized broadcasting tower is a common feature in almost all the developed cities in the world. The main objective of such a tower is to support hosting TV and Radio broadcasting services and act as a hub station for telecommunication networks.

Good reception of broadcasting signals, with the use of a single antenna, from one direction is the key benefit for the public and the lower capital & operational expenditure due to infrastructure sharing are among key benefits to broadcasters from such a development.

Centralized broadcasting towers are always a rich feature in the skyline of the city and help further improve the beauty of the city's skyline via the reduction of excessing desperate broadcast facilities.

Centralized broadcasting towers always become a symbol and is mostly located in the heart of the city, the development cost including the land value is substantially high, therefore many attractions such as high elevation observation deck, restaurants, shopping space are added to enhance the usability of the complex that ensure revenue to justify the investment and sustain the operation of the tower complex.

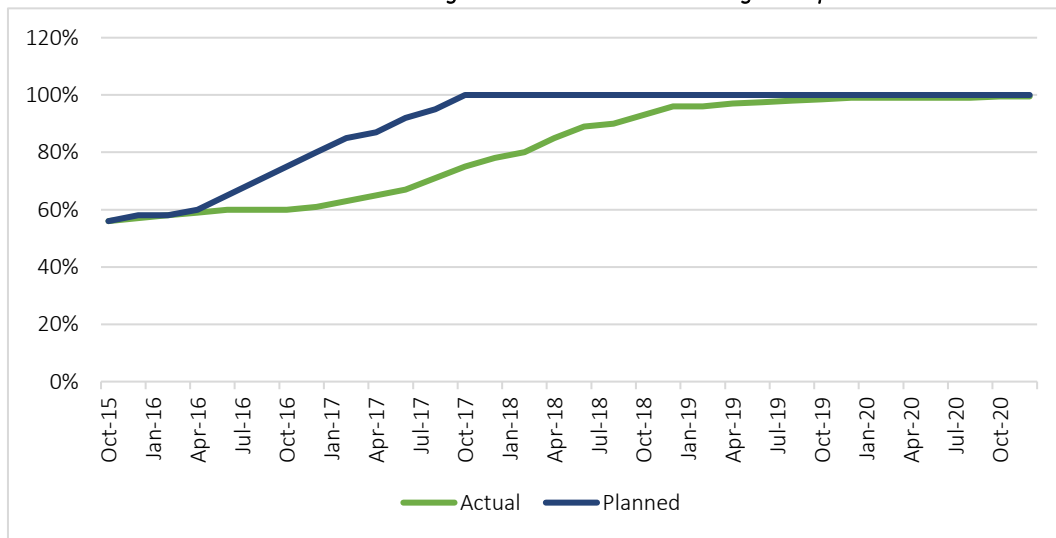
Main attraction of Colombo Lotus Tower

- High elevation observation deck for visitors to enjoy the panoramic view of Colombo city and suburbs.
- Two Banquet Halls – for weddings, social and cooperative functions
- State Guest House to support Banquet Hall operation, accommodations to VIP guests.
- Large shopping area and food courts
- Revolving restaurant
- Antenna Mast capable of supporting Digital Video Broadcasting services, Audio broadcasting, co-location of analog broadcasting facilities covering Colombo City and suburbs.
- Large garden space for the general public to spend the day with limited parking facilities.

Table 15: Summary of the Contract

Client (investor)	TRCSL
Contractor	China National Electronics Import & Export Corporation & Aerospace Long March International Trade Co. Ltd
Type of Contact	Design and Build
Engineer to the Project	Project Consultancy Unit of University of Moratuwa
Contracted Price	USD 104.3 Mn.
Date of Commencement	16 th November 2012
Contractual project Completion Date	31 st October 2017 (Initial construction period of 912 days + TRCSL granted Extension of Time)
Tentative Project completion date committed by main Contractor and Engineer to the Project	31 st December 2019

Chart 12: Planned Vs Actual Progress and continue without target completion date



Progress as at 31st December 2020

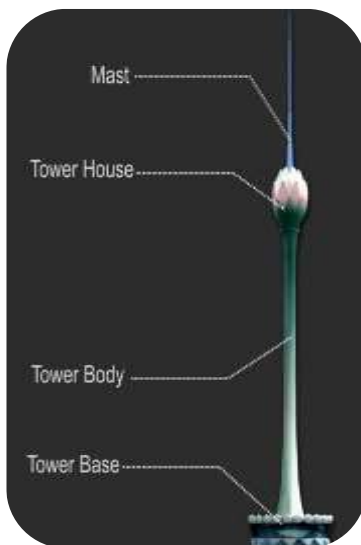


Table 16: Progress of Lotus Towers works

Description	% Completion
Antenna Mast	100%
Cleaning & Painting of Mast Base	99%
Installation at Tower House	99.9%
Tower Body Painting	100%
Interior Decoration	99%
Electrical installation tower house	98%
Fire Water at Tower House	98%
Water Supply & Drainage at Tower House	100%
Electrical Installation at Tower base	100%
Water Supply & Drainage at Tower Base	100%
Outdoor Electrical Installation	100%
Tower Base roof	100%
Illumination Tower House, Base and Body	100%
Lift and escalators	98%
Building Management Intelligent System	80%

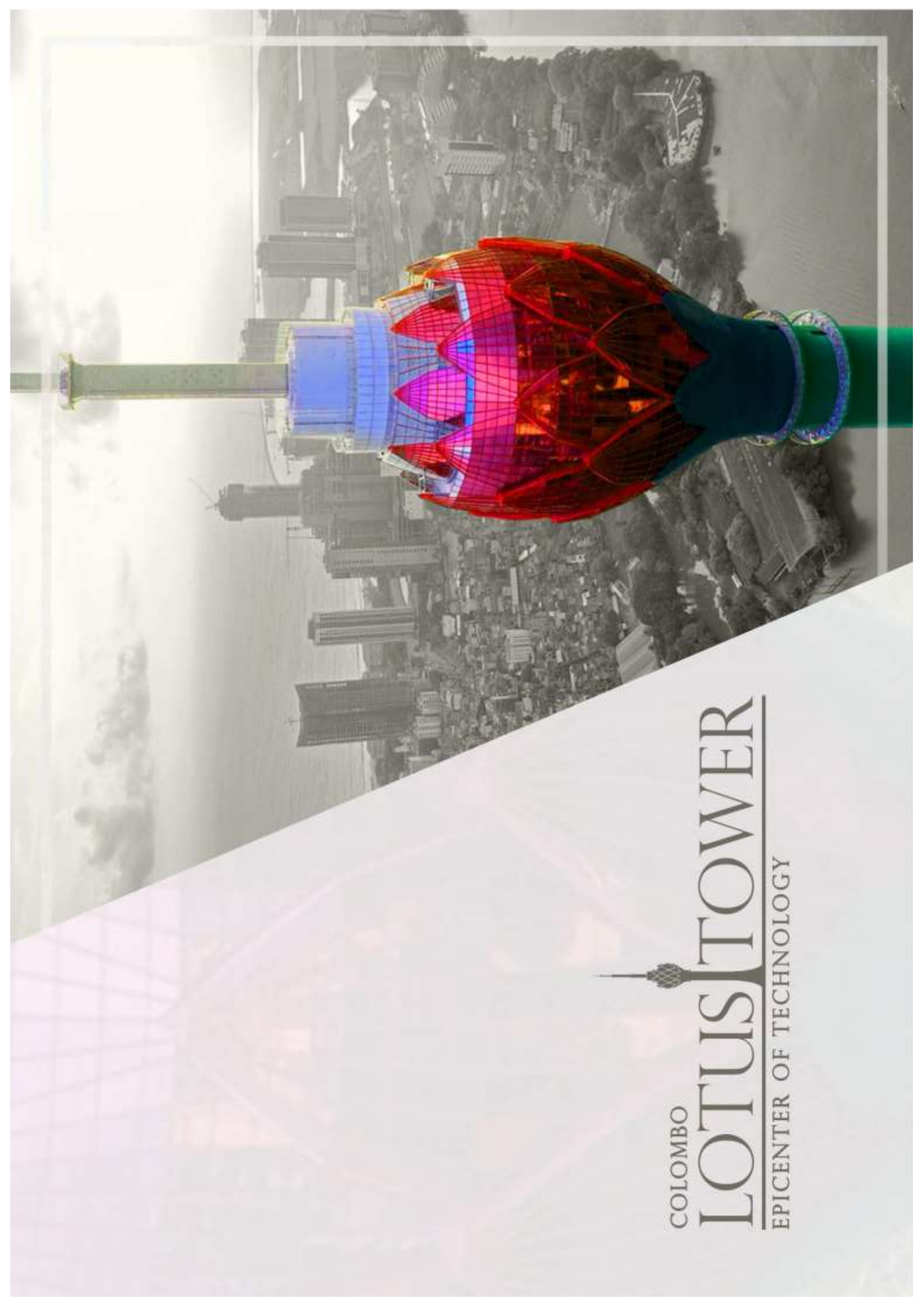


Table 17: Summary of Lotus Tower works

Colombo Lotus Tower Project	Performances
Colombo Lotus Tower Construction	<p>Appointment of the “Cabinet Appointed Negotiating Committee”.</p> <p>Minor Defect rectification and inspection.</p> <p>Major defect rectifications.</p> <p>Force majeure was reported.</p> <p>Application for Certificate of Conformity was processed.</p> <p>Additional sewage connection was requested.</p> <p>Drafted maintenance agreements and Training documents.</p> <p>Replacement of Fire hydrant cabinet in public areas.</p> <p>Extension for PCU consultancy Cabinet paper is under review regarding the repayments of work related to Professional Indemnity cover.</p>
Lotus tower- PCU consultancy fee	<p>As per the Commission decision, the consultancy service of PCU was extended till PCU submits the project completion schedule.</p> <p>PCU is to submit the approved project completion schedule.</p>
Commercialization of the Colombo Lotus Tower Complex	<p>AG’s opinions & advice were obtained to submit a note to the Cabinet to obtain approvals for the formation of the company.</p> <p>Valuation for Colombo Lotus Tower.</p> <p>PCU reviewed maintenance agreements were received for Fire Pumps, ABB panels (from DEMO), generator, lifts, Chilled Water System, Variable Refrigerant Volume System, Variable Air Volume system, Fire Protection pumps, and Plumbing System.</p> <p>A dedicated team was mobilized by the TRCSL to initiate commercialization activities and potential acceptance of the tower from the contractor. In addition to the team, a volunteer group of experts were engaged to formulate a commercialization plan and strategy for the tower.</p>
Testing & Commissioning	<p>Coordinated to get Minor defect rectification inspection report.</p> <p>Attended major defect rectifications (Curtain wall water leaks etc.).</p> <p>Testing of FDAC, Building Management System (BMS), CCTV System, Floor Indicators, and Aces Controls System.</p> <p>Reviewed the Training Materials of BMS, Weak Current Intelligent System, Central Air-condition.</p> <p>Generator servicing as routing works as per the recommendation of DEMO.</p> <p>Reviewed the progress of each discipline and weekly progress review meetings.</p>



PROPOSED MONETIZATION PLAN OF COLOMBO LOTUS TOWER



COLOMBO
LOTUS TOWER
EPICENTER OF TECHNOLOGY



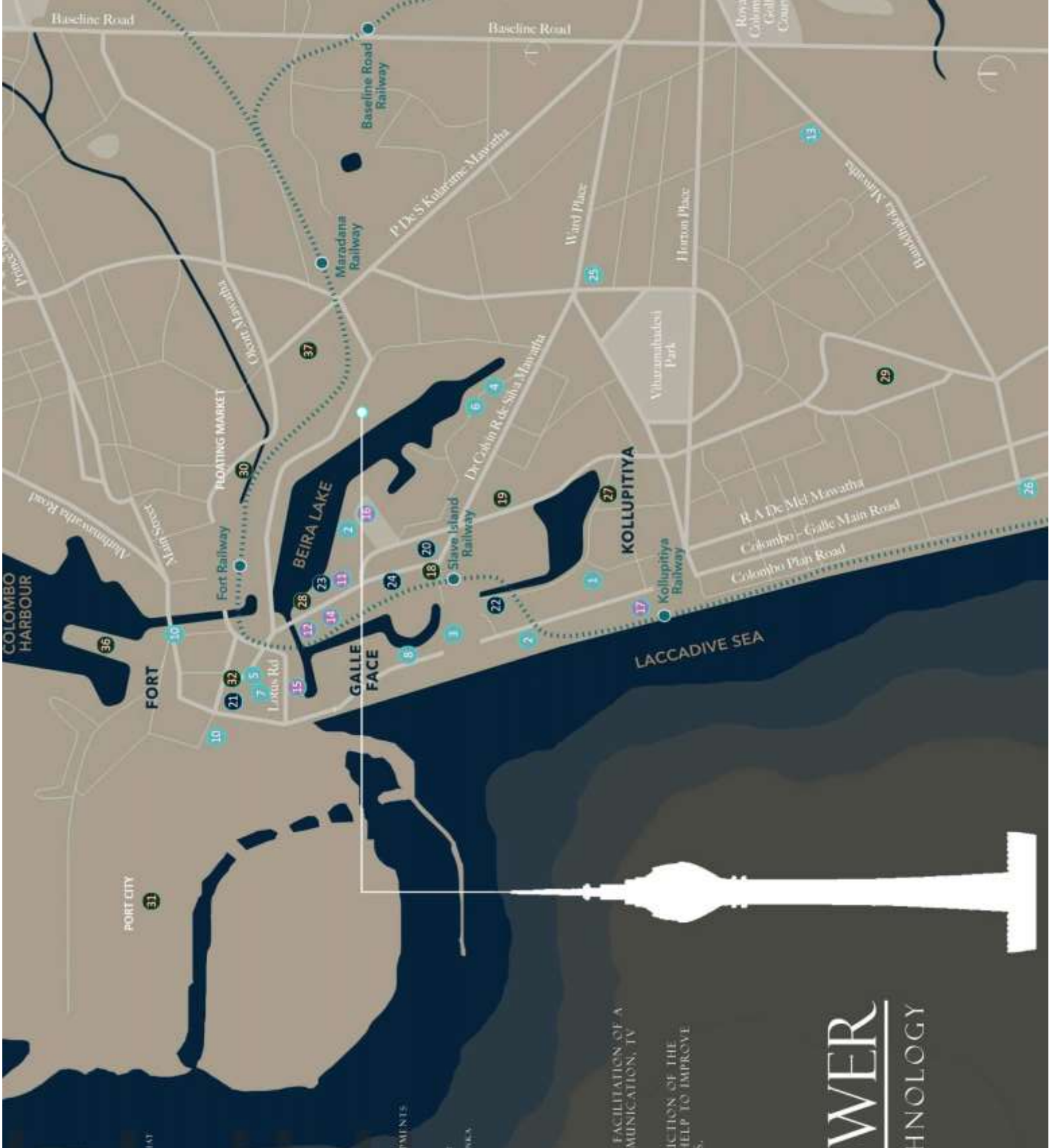
A NATIONAL EMBLEM FOR A PROUD COUNTRY

THE COLOMBO LOTUS TOWER IS THE ULTIMATE CULMINATION OF
BROAD KNOWLEDGE AND HARD WORK BY PROFESSIONALS.

FOR THE VERY FIRST TIME IN SRI LANKA,
MANY FORMS OF TECHNOLOGY COME TOGETHER TO CREATE A
PLATFORM FOR KNOWLEDGE AS WELL AS ENTERTAINMENT.



- 1 CINNAMON GRAND
- 2 CINNAMON LAKEHIDE
- 3 THE CAMBRIA HOTEL
- 4 EMPIRE RESIDENCES
- 5 HILTON HOTEL
- 6 HILTONS RESIDENCES
- 7 HOTEL GALADATI
- 8 TIC HOTEL
- 9 GALLE FACE HOTEL
- 10 THE KINGSBURY
- 11 INLAND REVENUE OFFICE
- 12 NATIONAL BUILDING DEV. AUTHORITY
- 13 BRITISH EMBASSY
- 14 CAYMAN ELECTRICITY BOARD
- 15 PRESIDENTIAL SECRETARIAT OFFICE
- 16 SRI LANKA AIR FORCE HEADQUARTERS
- 17 USA EMBASSY
- 18 MEDICAL LABORATORY
- 19 SAWALANKA HOSPITAL
- 20 COMMERCIAL BUILDINGS
- 21 DHL SAMSON GROUP
- 22 WORLD TRADE CENTRE
- 23 KING OF LANKA
- 24 SHOPPING MALLS
- 25 ODL
- 26 SCHOOLS, CLUBS, PARKS & OTHER UPCOMING DEVELOPMENTS
- 27 BIRNIPS COLLEGE AUDITORIUM
- 28 COLOMBO ROWING CLUB
- 29 COLOMBO UNIVERSITY
- 30 FLOTTING MARKET
- 31 PORT CITY
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THE MAIN PURPOSE OF THE TOWER IS THE FACILITATION OF A SINGLE TRANSMISSION HUB FOR TELECOMMUNICATION, TV AND RADIO.

THIS CONTRIBUTES GREATLY TO THE REDUCTION OF THE CITY'S CARBON FOOTPRINT, WHILE ALSO HELP TO IMPROVE THE OVERALL QUALITY OF TRANSMISSIONS.

LOTUS TOWER

EPICENTER OF TECHNOLOGY

- 1. TOWER BASE
- 2. LOTUS TOWER PODIUM BASE
- 3. MAIN ENTRANCE TO PODIUM BASE
- 4. ENTRANCE TO PODIUM BASE-01
- 5. ENTRANCE TO PODIUM BASE-02
- 6. ENTRANCE TO PODIUM BASE-03
- 7. PARKING SPACE

8. SRILANKAN POST HEADQUARTERS

- 9. ENTRANCE AND EXIT
- 10. WATER FEATURE
- 11. LANDSCAPED AREA
- 12. ENTRANCE PAVILION
- 13. OPEN PLAZA

- 14. THE RIBBON OF HERB - WALKWAY
- 15. WATER SHOW ARTS
- 16. OBSERVATION DECK
- 17. JETTY

- 18. SEATED DINING RESTAURANTS
- 19. AREA FOR PUBLIC PARK
- 20. TERMINAL PODIUM
- 21. PARKING SPACE FOR BUSES

- 22. ADMIN FACILITY BUILDING
- 23. GYM & MANAGEMENT BUILDING
- 24. GARBAGE COLLECTION BUILDING



MASTER PLAN

ON THE LOOKOUT FOR LUXURIOUS TRENDY ROOMS OOOZING WITH CHARACTER AND COMPLETE WITH A MAGNIFICENT VIEW? LOOK NO FURTHER;

FOUND ALONG THE BEST LOCATIONS OF THE TOWER HOUSE AT THE 239M LEVEL.

FEATURING A LUXURIOUS AND COZY INTERIOR ALL VIP ROOMS OVERLOOK AMAZING VIEWS OF THE CITY'S URBAN FABRIC.

COMFORT IS SUPREME WITHIN THESE SPACES AND WILL CREATE LASTING MEMORIES.

LUXURY SUITES

(8100 sq. ft.)





GROUND FLOOR

THE CONCEPTUAL APPROACH

THE LOTUS, WHICH IS ASSOCIATED AS AN EMBLEM IN SRI LANKAN CULTURE IS A SYMBOL OF THE LORD BUDDHA, HIS PURE TEACHINGS AND THE BUDDHIST TRADITION.

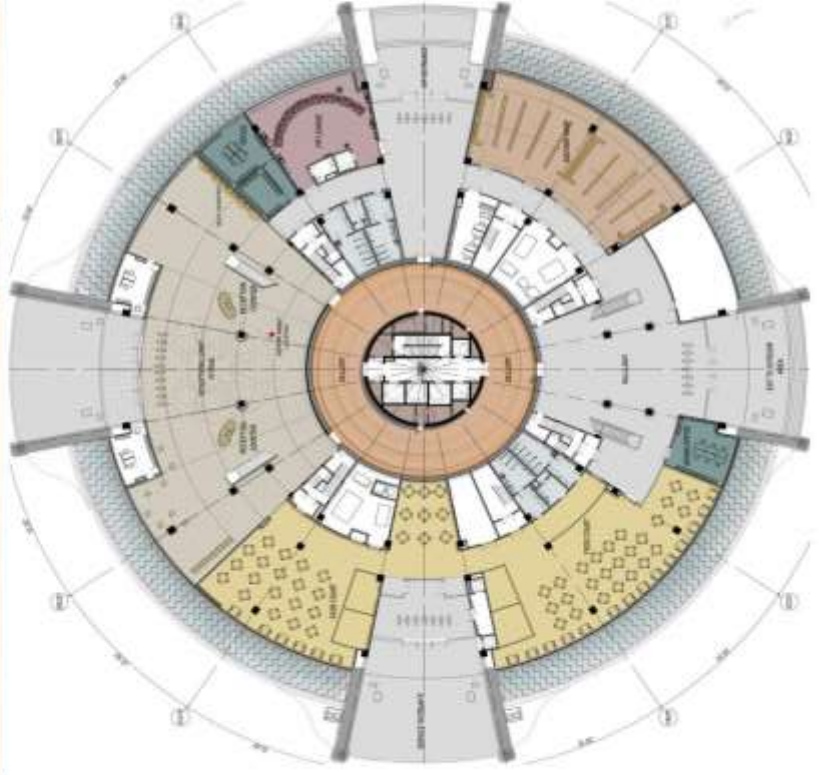
THE ESSENCE OF THE LOTUS TOWER IS CONTINUED AS INSPIRATION FOR THE GROUND LEVEL INTERIOR.

THE LOTUS FORM IN ABSTRACTS IN ENVISIONED TO SYMBOLIZE THE LORD BUDDHA AND HIS ENLIGHTENMENT IS MARVELOUSLY REPRESENTED BY THE INCORPORATION OF LIGHT.

IT IS EXPRESSED ARCHITECTURALLY, AS AN ABSTRACTED SKELETAL FORM OF THE LOTUS, AND IS ILLUMINATED AND HUNG BELOW A MIRROR CLAD CEILING TO GENERATE ENDLESS REFLECTIONS WITHIN A SPACE, CREATING A FEELING OF SELF-REALIZATION.

- MAIN SPACES**
- ENTRANCE LOBBY
- EXHIBITION GALLERY (16,109sq. ft.)
- SOUVENIRS SHOP (36,80 sq. ft.)
- FOOD COURT (20,565 sq. ft.)

- VISITOR INFORMATION**
- LED WALL AT ENTRANCE LOBBY
- DIGITAL TOUCH SCREEN DISPLAY
- KIOSK ASSISTANTS
- AIR LOCATION MAP



THE REVOLVING RESTAURANT

GIVING YOU EVERY POSSIBLE VIEW OF THE CITY, EACH TIME YOU LOOK BEYOND.

WATCH THE COLOMBO CITY WAKE UP TO THE LUSH MORNING AND GO THROUGH THE VARIOUS AND EXCITING MOTIONS OF ITS DAY UNTIL THE BEAUTIFULLY ILLUMINATED EVENING SKY TAKES OVER USHERING IN THE BUSTLING CITY NIGHT GLOW WITH MILLIONS OF MOVING AND STATIONARY LIGHTS.

A VIEW LIKE NO OTHER, ALL WHILE ENJOYING THE BEST OF CUISINES.

THE BIERA LAKE, COLOMBO PORT, PORT CITY, ALL THE STANDING PINNACLES OF SKY LINE UP TO THE HORIZON OF INDIAN OCEAN.

ENJOY WATCHING THE COLOMBO PORT, THE NEW PORT CITY AND THE ENTIRETY OF THE COLOMBO SKYLINE ALIGN ITSELF TO THE HORIZON OF THE INDIAN OCEAN

SEE THE CITY OF COLOMBO
IN 90 MINUTES

224 PAX

THE FINEST CUISINE

(9300 sq. ft.)



OBSERVATION DECK

360° VIEW OF THE COLOMBO
COMMERCIAL CITY FABRIC.

A VIEW OF ALL THE PINNACLES OF
COLOMBO'S SKYLINE AGAINST A
BACKDROP OF THE FRESH
INDIAN OCEAN.

SKY IS THE LIMIT
FOR WHAT CAN
BE SEEN.

SURE TO BE THE NEXT
SOCIAL MEDIA
SENSATION IN SRI
LANKA. #LOTUS



SKY LOUNGE / INTERNAL OBSERVATION DECK

(10365 sq. ft.)



SOVENIRSHOP

A VAST ARRAY OF SOUVENIRS THAT BRING OUT THE RICH HERITAGE AND CULTURE OF THE ISLAND ARE AVAILABLE HERE, RANGING FROM TRADITIONAL FOOD ITEMS TO INDIGENOUS AYURVEDIC AROMATICS AND COSMETIC ITEMS.

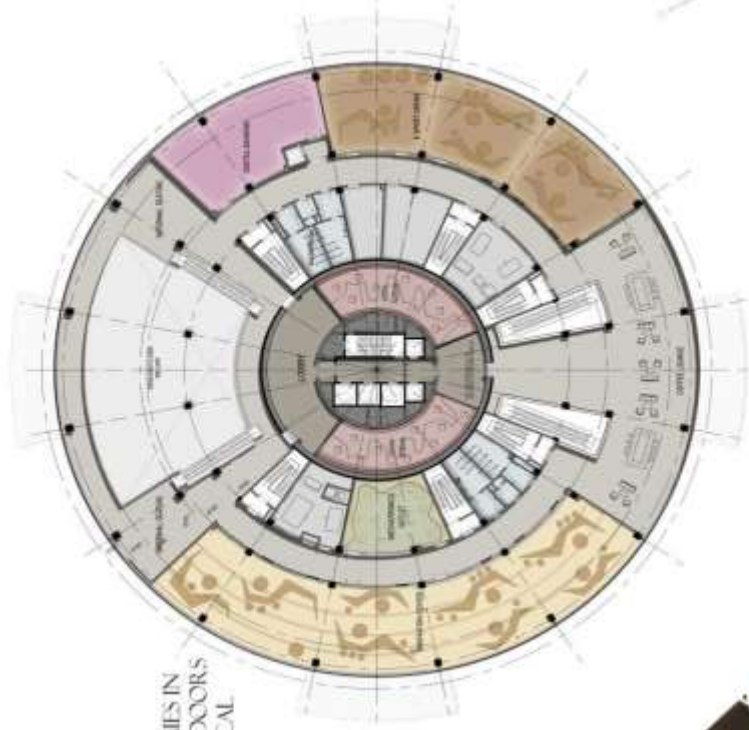


designed by inspik.com



FIRST FLOOR

AS ONE OF THE FASTEST GROWING ECONOMIES IN THE WORLD, SRI LANKA NOW OPENS ITS DOORS TO BRING IN THE LATEST TECHNOLOGICAL EXPERIENCES FOR ITS CITIZEN.



- INNOVATION CENTER
(6888 sq. ft.)

- SPORTS AREA (5252 sq. ft.)

- DIGITAL BANKING AREA (1183 sq. ft.)

- COFFEE LOUNGE (4183 sq. ft.)

- DIGITAL ART MUSEUM (2300 sq. ft.)

- 7D CINEMA (1097 sq. ft.)



TOWER HOUSE

THE LOTUS PETALS CONCEAL WITHIN THEM NINE FULLY FURNISHED, LUXURIOUS FLOORS / NINE FULLY FURNISHED FLOORS LIE WITHIN THE BEAUTIFUL LOTUS PETALS OF THE FLOWER.

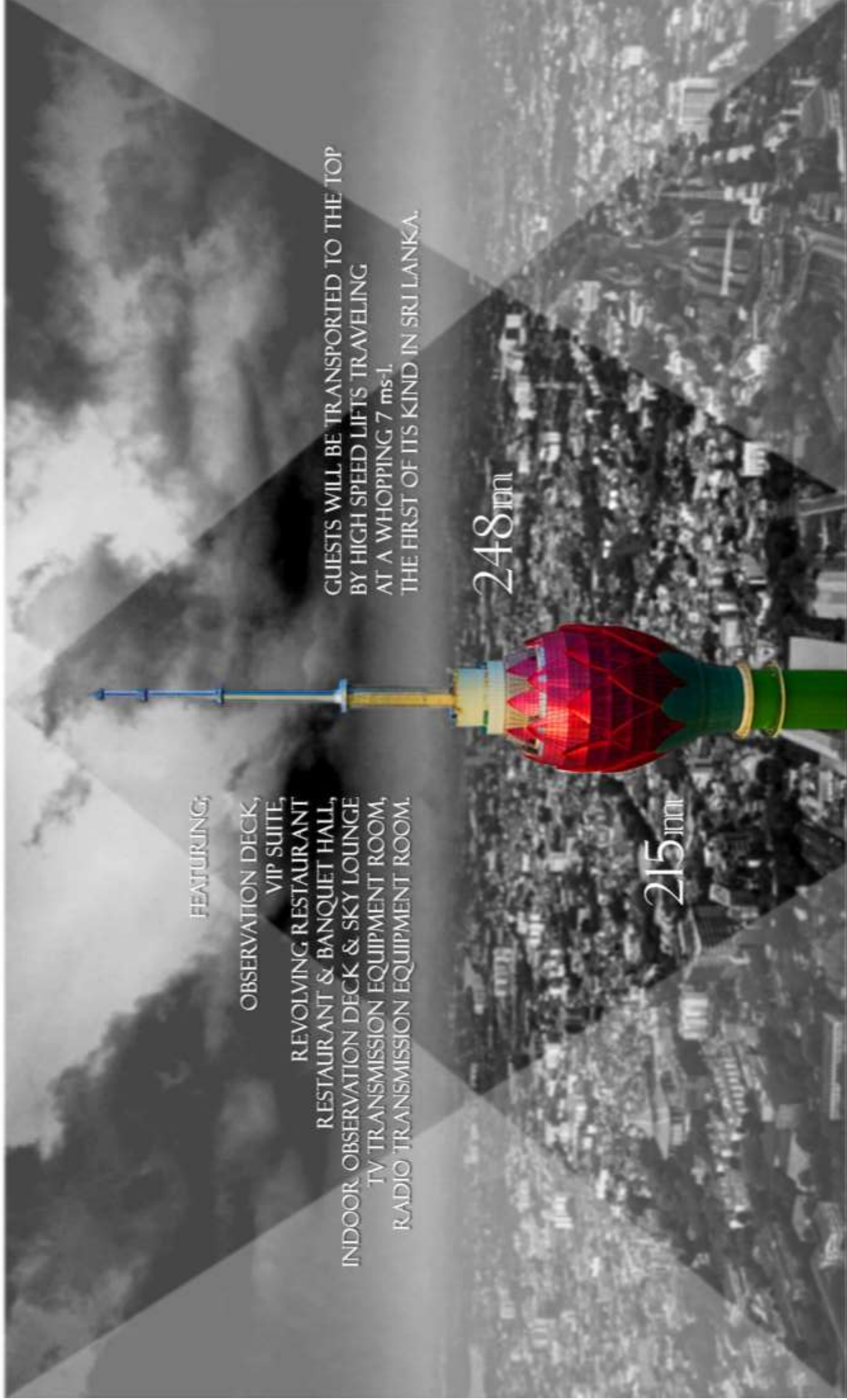
FEATURING;

OBSERVATION DECK,
VIP SUITE,
REVOLVING RESTAURANT
RESTAURANT & BANQUET HALL,
INDOOR OBSERVATION DECK & SKY LOUNGE
TV TRANSMISSION EQUIPMENT ROOM,
RADIO TRANSMISSION EQUIPMENT ROOM.

GUESTS WILL BE TRANSPORTED TO THE TOP
BY HIGH SPEED LIFTS TRAVELING
AT A WHOPPING 7 ms⁻¹.
THE FIRST OF ITS KIND IN SRI LANKA.

248m

215m



RESTAURENT & BANQUET HALL

SPECIAL EVENTS FOR 350 PAX CAN BE ACCOMMODATED IN THE SPECIAL RESTAURANT OR THE BANQUET HALL FEATURING AN UNIQUE ILLUMINATIVE INTERIOR DESIGN AND THE PANORAMIC VIEW OF COLOMBO'S COMMERCIAL CITY FABRIC FROM BEYOND THE 360° GLASS FACADE.

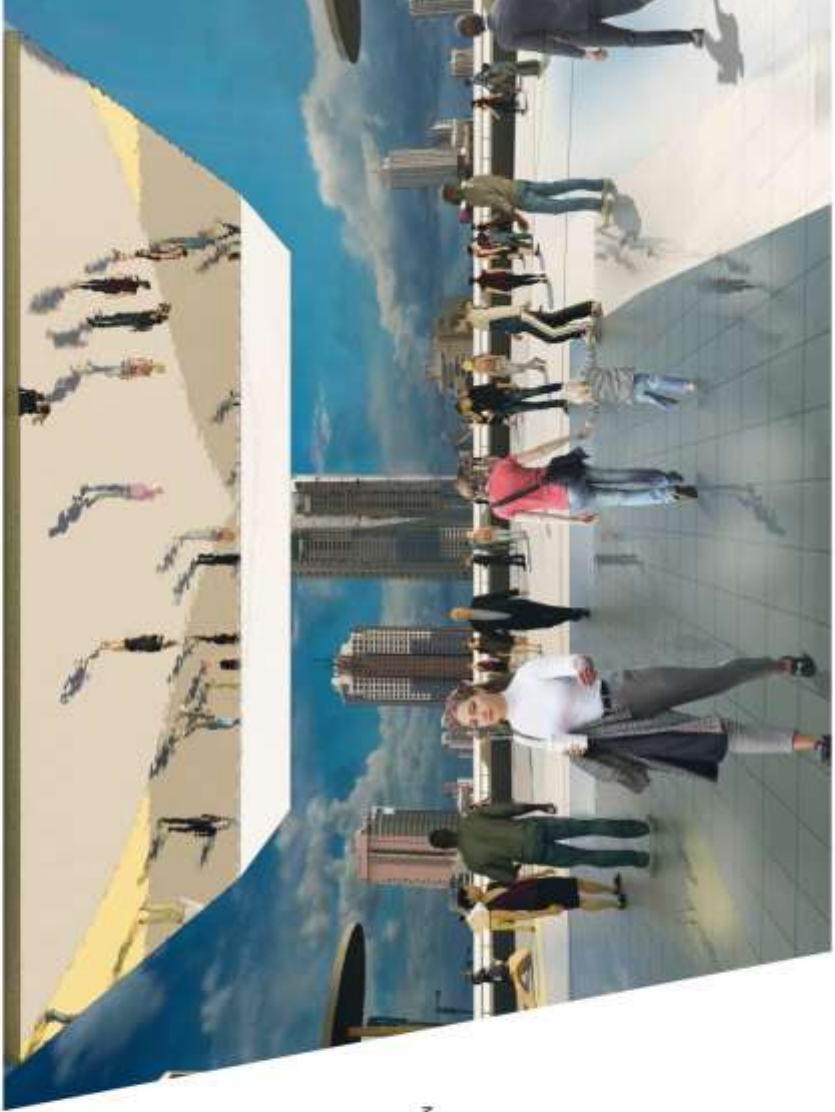
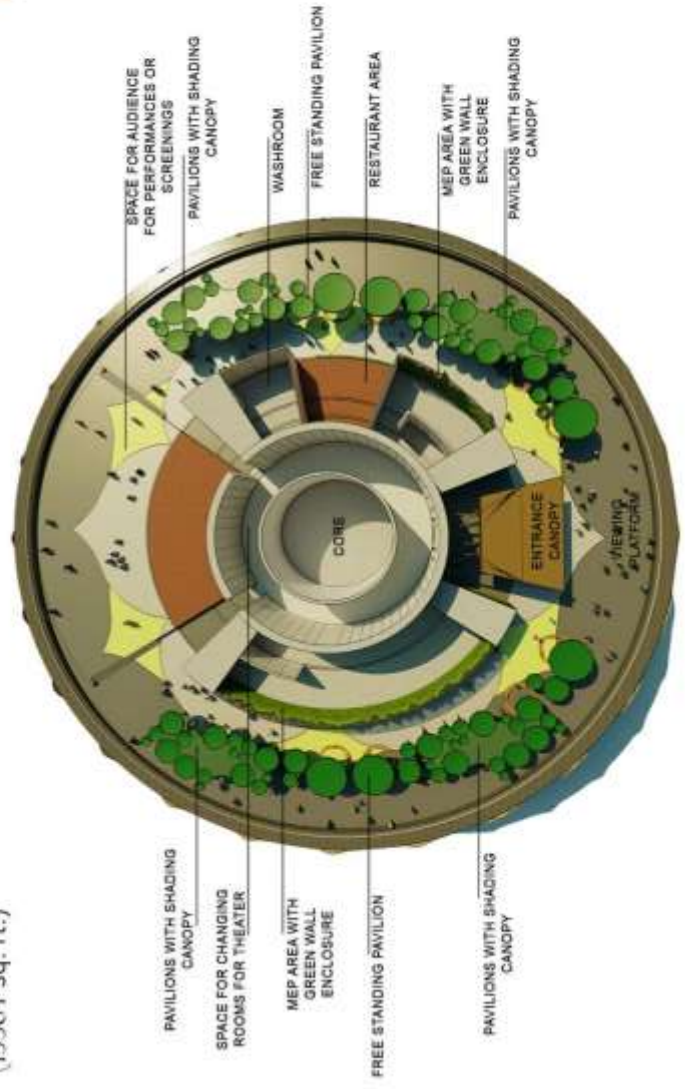
(9600 sq. ft.)





TOWER BASE ROOF TERRACE

(15564 sq. ft.)



LET'S SHARE THE GRAND EXPERIENCE
AND TOGETHER,
WE MAKE THE WORLD.



VIEW FROM LOTUS TOWER OBSERVATION DECK.

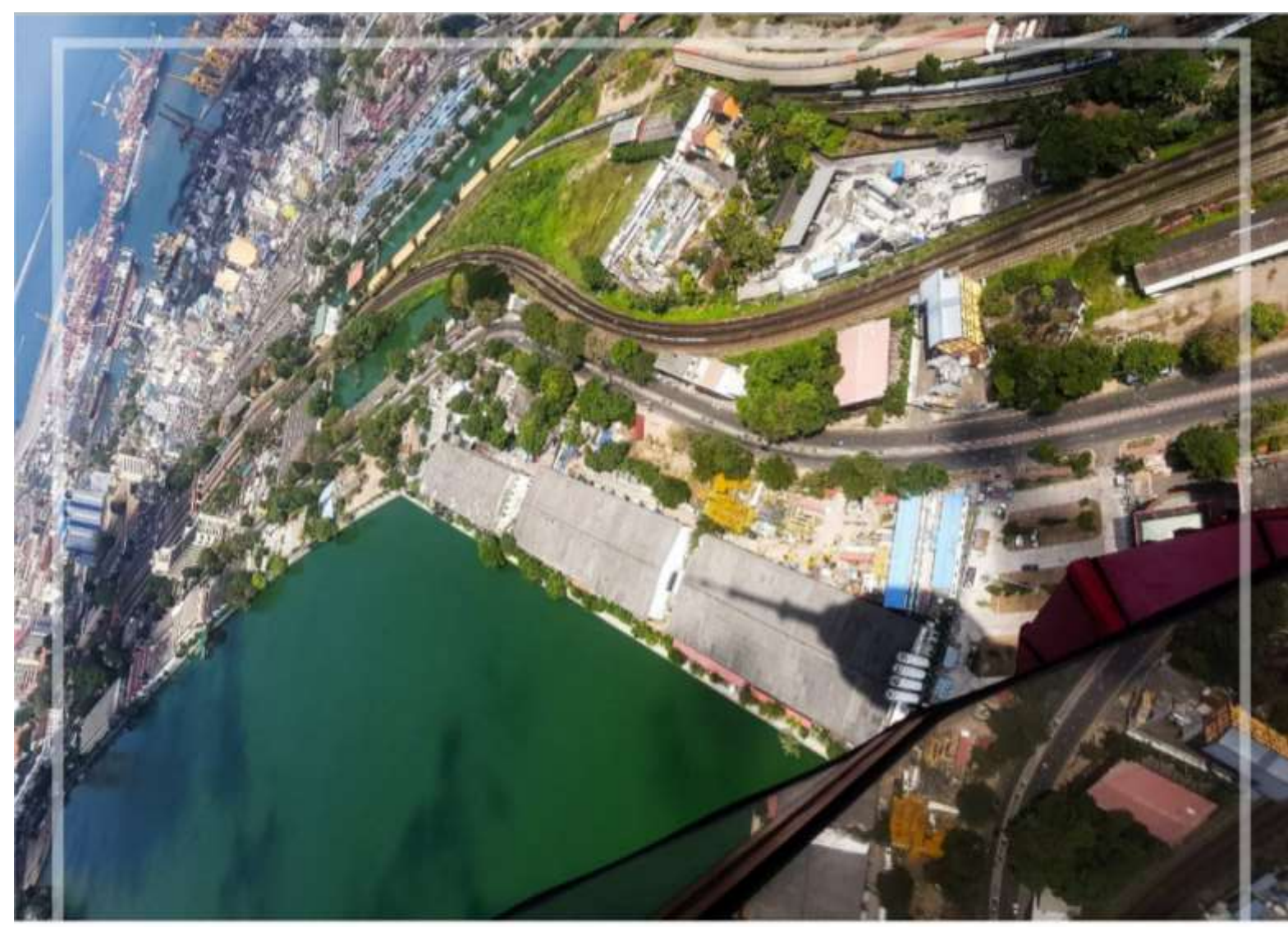
WELCOME TO...

THE COLOMBO LOTUS TOWER

SRI LANKA IS AN ISLAND LIKE NO OTHER AND DESIRES
CONTINUED PEACE AND SEEKS DEVELOPMENT.
THE LOTUS FLOWER SYMBOLIZES
PURITY, ENLIGHTENMENT AND HONESTY TO ALL SRI LANKANS.

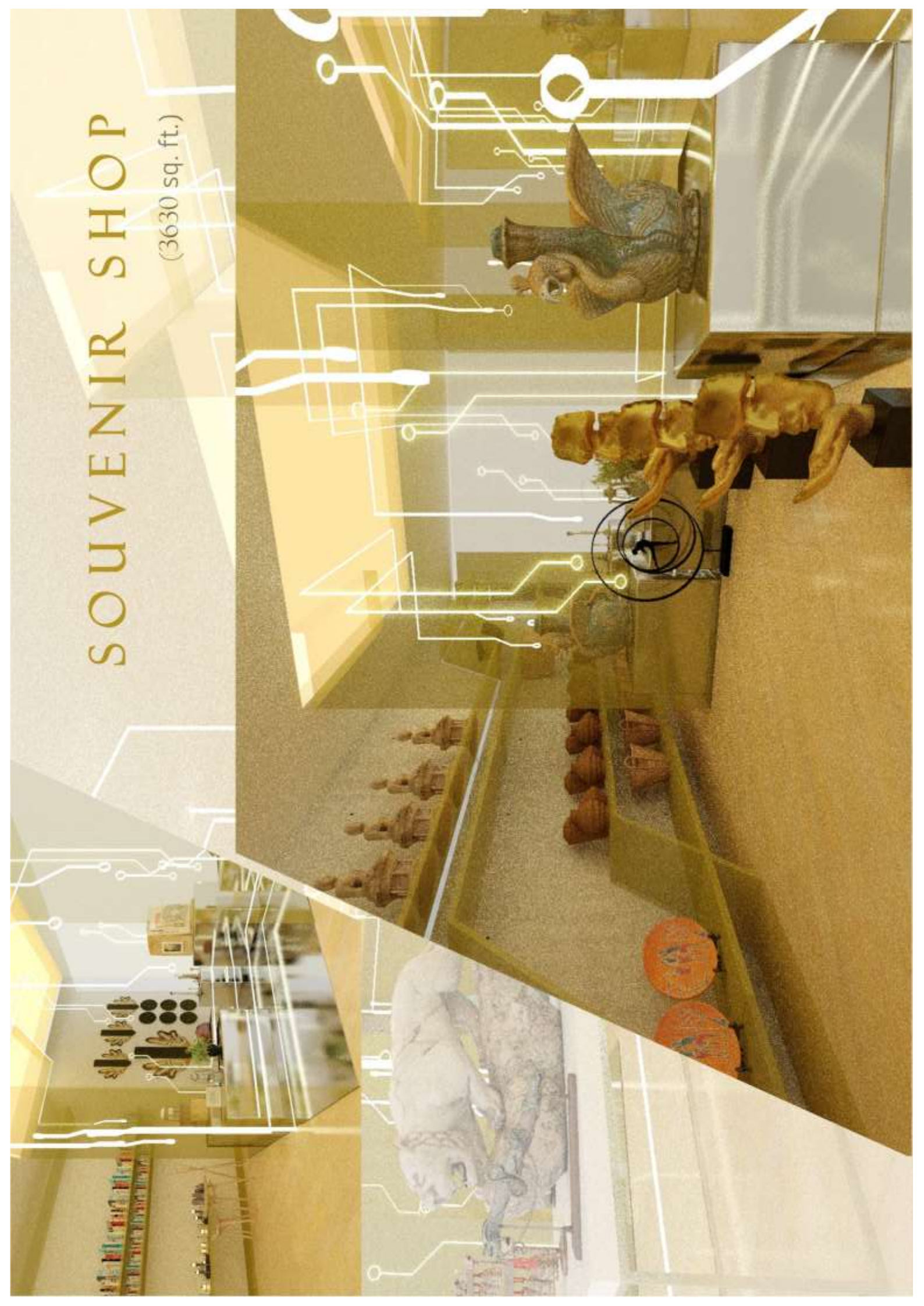
IT IS A FUSION OF REALITY AND THE IDEAL AND IS ALSO
THE PERFECT COMBINATION OF THE PAST AND THE FUTURE.

THE LOTUS FLOWER WHICH IS
THE INSPIRATION BEHIND THE COLOMBO LOTUS TOWER,
SYMBOLIZES SRI LANKA'S FLOURISHING DEVELOPMENT.



SOUVENIR SHOP

(3630 sq. ft.)

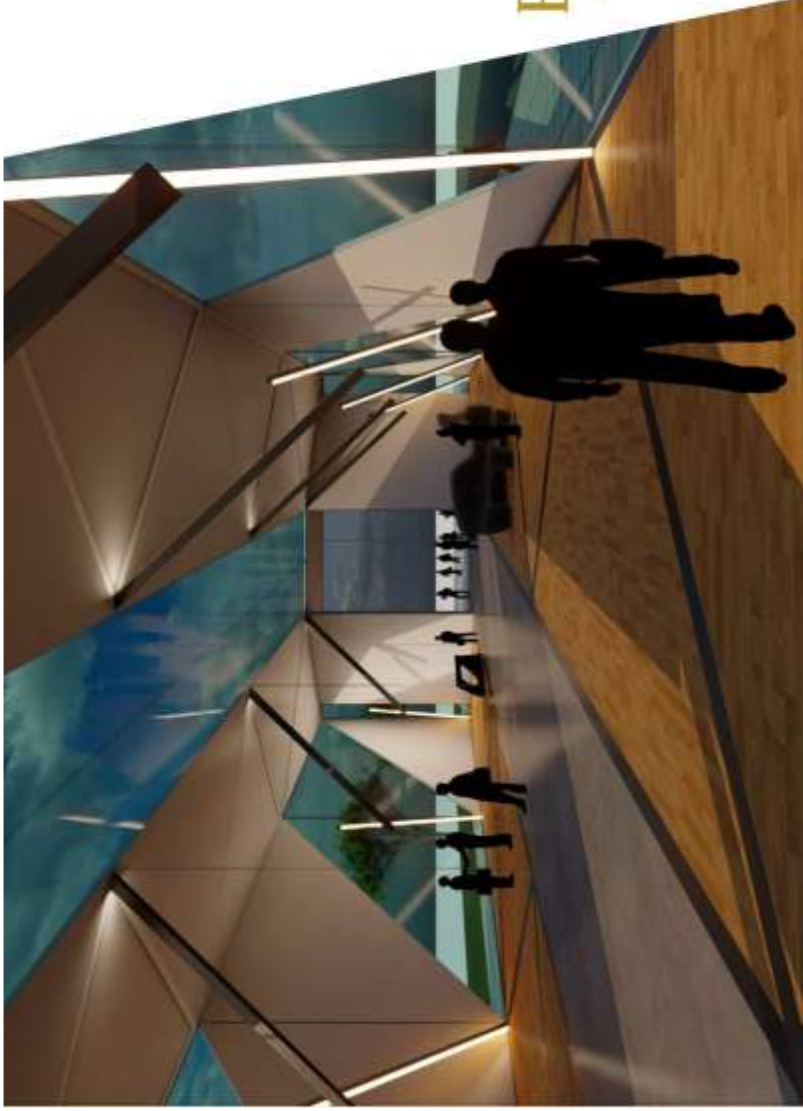


ENTRANCE & TICKETING PAVILION

LOCATED ALONG THE ENTRANCE PATH OF THE LOTUS TOWER, THIS SECTION CREATES A POCKET, AND MAKES ONE PAUSE IN THEIR JOURNEY.

OBSERVATION DECK TICKETING FACILITIES WILL ALSO BE LOCATED IN THE PAVILION.

THE AREA SEMI-ENCLOSED WITH WHITE PANELS AND GLASS, MAKES ONE FOCUS TOWARDS THE LOTUS TOWER, WHICH IS VISIBLE THROUGH THE SKYLIGHT ALONG THE PAVILION.



LOTUS TOWER PHRASE 02 PROJECT – VEHICLE PARKING FACILITY ALONG WITH MIXED DEVELOPMENT

The proper development of the neighborhood is critically important for the Colombo Lotus Tower complex to maximize its benefits to all stakeholders on a long-term basis. In the present, the neighborhood of the Colombo Lotus Tower Complex remains undeveloped presenting a unique opportunity for TRCSL to work with relevant Government organizations especially with the Urban Development Authority (UDA) to jointly develop a master plan to capture public attraction. Any haphazard development in the neighborhood would severely impact the long-term success of the Lotus Tower Complex.

Progress and current status of the project

- TRCSL has taken an initiative to develop adjoining land into a multifunctional vehicle park complex along with recreational facilities.
- The Cabinet of Ministers has already approved land allocation and, UDA is entrusted to acquire & transfer the land.
- The Commission of TRCSL has decided to develop adjoining land on a build operate and transfer (BOT) basis.
- Ministry of Defence submitted the Cabinet Memorandum seeking approval to appoint Cabinet Appointed Negotiation Committee and Project Committee to guide the Procurement process and the development.
- Land acquisition is in progress, and it will be continuing under the Legal division.

HAMBANTOTA IT PARK

Telecommunications Regulatory Commission of Sri Lanka initiated action to establish a Telecommunication Media Center (Hambantota IT Park Project) as decided by the Cabinet of Ministers at its meeting held on 04th July 2012 based on the Cabinet Paper No 12/0836/501/019 dated 2012-06-14. The Project Feasibility Report for the project was compiled by the KPMG Audit firm and the Board of Investment of Sri Lanka was the sponsoring agency with the responsibility of finding commercial partners and tenants to make the project commercially profitable on a sustainable basis.

Sri Lanka Land Reclamation & Development Corporation (SLLRDC) was appointed as the Engineer to the Project, the construction contract was awarded to M/S Tudawe Brothers (Pvt) Limited after adhering to the approved tender procedure. TRCSL handed over the site to M/S Tudawe Brothers on 11th July 2014 and the construction work started on 11th August 2016. The construction period is 730 days.

The contractor had completed the superstructure of the building up to the 3rd floor by June 2015 as scheduled. However, TRCSL, BOI, and the Presidential Secretariat observed that the other development projects planned in the area have not been commenced and this factor will adversely affect the revenue-generating capability of the IT Park.

The Commission of TRCSL, having examined the facts related to the captioned project decided to conclude the construction of the said building at the 3rd floor level.

Whilst SLLRDC as the engineering Consultant to this project was attending to the restructuring of the project, the contract between TRCSL and M/S Tudawe Brothers (Pvt) Ltd expired. Consequently, TRCSL had no alternative other than terminating this contract with the M/S Tudawe Brother (Pvt) Ltd on the recommendation of SLLRDC being the Engineer to the Project.

Current Status of the IT Park Project as at 31st Dec 2020

The project is under arbitration. It will be continued after the clearance is issued by the Legal Division for existing legal matters.

COLOMBO HEAD OFFICE EXTENSION BUILDING

Management of TRCSL decided to construct five stored new buildings for the TRCSL Head office. The project Consultancy Unit of the University of Moratuwa (PCU) was appointed as the engineer to the project. PCU designed a steel structured building as an annex to the existing main building with bridges connecting the other two buildings. Cabinet of Ministers has approved a fund of LKR 502 million for the total project. As per the detailed Bill of Quantity, the estimate is LKR 344 million including a consultancy fee of 5% of the total construction estimate cost.

New Building Project Goals Objectives & Outcomes

Following are the anticipated goals and objectives of development projects;

- Provide better and more efficient facilities to the general public, operators, and broadcasters who are regularly visiting TRCSL to obtain regulatory services.
- Provide infrastructure requirements for the staff in the TRCSL Head Office to enhance productivity and efficiency.
- Improving facilities for meetings and seminars within the premises to increase efficiency and cost-saving.

The followings are the expected outcomes of this development project.

- Effective re-organization of divisions to provide better service for the public.
- Providing a better venue for public awareness programs, seminars, and workshops, etc.
- Proper utilization of TRCSL owned land properties for the national interest.

Progress of the Project

Table 18: Progress of the Colombo Head office Extension Building

Description	% Completion
Filling	100%
Steel Structure	100%
Concrete works	90%
Electrical works	30%
Plumbing works	50%
IT infrastructure	20%
Painting & Finishing	45%



Table 19: Summary of the Colombo Head office Extension Building

New Office Building Project	Progress of 2020
Completion of the Building Consultancy Fee	<p>Approval was obtained for Sanitary Fittings & Tiles. Reviewed the Design mistakes such as Staircase, Air conditioning system.</p> <p>Reviewed the BoQ mistakes already identified.</p> <p>Preliminary discussions were conducted to complete Toilet Block, Canopy and Entrance Lobby. Completed Preliminary works on Bidding Document for new works.</p> <p>Obtained a considerable progress in Bridge Constructions. Floor concreting was, Wall plastering and applying potty, Electrical wiring, Data cabling, roof works were completed.</p> <p>Lift was delivered and railings were fixed. Waiting for completion of the building to handover for operation.</p>



KADIRANA REHABILITATION AND RENOVATION PROJECT

Kadirana Frequency Monitoring Station has been equipped with monitoring and direction-finding devices and systems to meet UHF/VHF radio frequency analysis requirements at the regional level as well as High Frequency (HF) monitoring and direction-finding at the national and international level. This station has been registered with the ITU for HF monitoring and direction-finding.

Kadirana Frequency Monitoring Station was upgraded to a higher standard monitoring station in the early years of the 2000s, by commissioning equipment and systems supplied by Rohde and Schwarz under a World Bank-funded project. One Engineer and two Telecommunications Officers together with a team of the administrative staff were stationed at Kadirana along with a Mobile Frequency Monitoring Surveillance Vehicle (MFMSV) and a Double Cab for official works to function Kadirana as an independent fully equipped regional monitoring station. A few years later, authorities in the head office were compelled to call back the staff deployed in this station along with assigned vehicles, due to urgent staff requirements at the Head Office.

The material and monitoring equipment procured under the world bank funded project at the beginning of the 2000s gradually got outdated over the past decade. The land was encroached by people and the management of TRCSL decided to limit monitoring station boundaries to the remaining block of land (About 53 acres). Accordingly, a parapet wall was constructed to secure the remaining piece of the land without completion at two openings reserved for the stormwater channel. Part of the parapet wall is nearing collapse and villages have damaged it in few places to provide openings for flowing rainwater.

The equipment commissioned under the world bank funded project except High-Frequency Direction Finding (HFDF) system, is still in use, despite the lapse of its usable period, incompatibility with new technologies, and unavailability of modern monitoring features. Meanwhile, the HFDF system was replaced in the year 2015 as a matter of priority, due to its crucial national and international significance.

The building and allied amenities that had been neglected over the past decade have to be

renovated and refurbished. TRCSL has planned to execute a project on an island-wide basis to extended monitoring facilities to the rest of the key geographical areas. Kadirana Frequency Monitoring Station will be one of the Regional Office.

TRCSL requested the Project Consultancy Unit of the University of Moratuwa to submit a bidding document, Engineer's estimate, design, and drawings for rehabilitation and refurbishment of the Monitoring Station at Kadirana.

TRCSL expected to establish a Regional Office at the premises of Kadirana frequency monitoring station with a team of technical, administrative, and supporting staff. Therefore, it is necessary to develop infrastructure to provide suitable facilities required for a permanent regional office taking into consideration of the staff accommodation facilities as well. As a significant portion of the premises of the Kadirana frequency monitoring station has already been encroached by various people, it is essential to take effective steps to rescue the rest of the land from further encroachments. As such it is required to complete, strengthen parapet wall, and install security posts. In this context, the following renovations and constructions are proposed to fulfill TRCSL's future goals:

- i. Refurbishment of existing security amenities.
- ii. Refurbishment of existing archives.
- iii. Removal of unwanted dilapidated buildings.
- iv. Refurbishment of existing auditorium and office building.
- v. Refurbishment of existing bachelor's quarters.
- vi. Refurbishment of the existing monitoring station building.
- vii. Complete parapet wall and construct required bridges.
- viii. Construction of a new office building.
- ix. Setting up of security posts (Internal Roads, New Entrance Gate, Walking Path around the site for security purposes)
- x. Refurbishment of the overhead water tank.

These requirements were directed to the University of Moratuwa for the preparation of cost estimates. After field visits, PCU of the University of Moratuwa has submitted building plans, bidding document, and the engineer's estimate for the project amounting to Rs. 200 million excluding 5% consultancy fee for the engineer to the project.

Following are the anticipated goals and objectives of development projects:

- Provide infrastructure requirements for the staff expected to be deployed in Kadirana regional office.
- Improve the security of the site.
- Provide safe space for monitoring equipment.
- Provide better and more efficient regulatory services through this regional office reducing the present centralized workload of the TRCSL head Office. "Proposed Kadirana Office will be a convenient place for passengers who need TRCSL's clearance letter for their telecommunication equipment importation to the island through Katunayake Airport and those who engaged in finishing in Negombo and surrounding areas to get TRCSL's frequency licenses".
- Provide a venue for national/international meetings and seminars.
- Protect the land from further encroachments.

Following are expected outcomes through this development project:

- Effective decentralized service for the public through a regional office.
- Engagement in interference and regular monitoring activities at the regional level, facilitating enforcement of licensing conditions more effectively.
- Increasing capacity to identify illegal frequency users.
- Providing a better venue for public awareness programs, seminars, and workshops, etc.
- Proper utilization of TRCSL owned land properties for the national interest.

Progress and the current status of the Project

Table 20: Progress of the Kadirana Rehabilitation and Renovation Project

Description	% Completion
Demolition Work	100%
Renovation of Old Building	100%
Foundation work of New Building	100%
Civil Construction of New Building	70%
Electrical works	20%
Plumbing works	50%
Painting & Finishers	50%

A committee was appointed to review and recommend contractual actions that TRCSL must take based on the Engineer recommended variation submitted a final report. Accordingly, the scope of the work will be finalized. Waiting for completion of the building to handover for operation.

Rehabilitation and renovation of Kadirana frequency monitoring station



DEVELOPMENT OF RESEARCH PROJECTS

Following two research projects were started to initiate in this year.

1. Develop a concept for Disaster Early Warning & Management System.
 - Preliminary discussions were conducted with National Building Research Organization (NBRO).
 - Due to the COVID-19 prevailing situation could not achieve the planned target.
 - The project will be continued within the year 2021.
2. Research on Feasibility establishing Research Labs Sri Lankan Universities with collaborating of Foreign Equipment and Manufacturer's & Research Institutes.
 - TRCSL informed the University of Moratuwa (UoM) to use the 26.5GHz band for this program.
 - UoM has requested frequency from the band 3.4GHz to 3.6 GHz band.
 - Since the requested frequency bands are not possible to be released, TRCSL is continuing discussions with UoM to find alternative frequency bands for deploying research labs.

ADMINISTRATION, HUMAN RESOURCE, CORPORATE AFFAIRS & PLANNING DIVISION

OVERVIEW

The role of the division is essential for the smooth functioning of the entire organization while encompassing a wide range of tasks. It includes directing in administration, managing human resources & creating a physical environment conducive for the employees to improve their quality of work.

Besides, the scope of the division extends to corporate affairs, planning & monitoring, coordination within the organization & with other organizations, provision of office requisites and supportive facilities for staff, ensuring the welfare of the staff providing library facility, and media coverage of important events of the organization.

FUNCTIONS

- Preparation of rules, circulars, regulations, and procedures in relation to human resources management and general administration.
- Attending to all matters pertaining to recruitment, confirmation, performance appraisal, promotions, leave records, attendance, transfers, disciplinary control, release, and retirement of staff.
- Maintenance of personal files of the staff.
- Preparing a personnel plan for the Commission along with job descriptions for each position, in consultation with respective senior managers.
- Preparing human resources development budget.
- Coordinating training activities (both local and foreign) and making necessary travel, registration, and other arrangements for staff.
- Coordination of activities relating to outsourced services such as security, cleaning, building maintenance, and repair and purchase of machinery and equipment.
- Ensuring an efficient supply of utility services such as electricity, water, and telephone services.
- Maintenance of vehicle fleet.
- Provision of logistic support for other divisions of TRCSL.
- Preparing and implementing the annual procurement plan.
- Make recommendation/approval of payments as per the delegation of financial authority.
- Maintenance of archives/record-room
- Plan to dispose of condemned items based on the annual Board of Survey.
- Ensuring occupational health and safety measures.
- Communication with Department of Public Enterprises, Department of Management Service, and National Salaries and Cadres Commission.
- Administering the life assurance and medical insurance scheme for employees.
- Coordination of welfare activities to provide welfare services to the staff and handling grievances.
- Coordination of activities relating to the preparation of the action plan, corporate plan, progress report, and annual report.
- Coordination of activities related to submission of answers to parliamentary questions, submission of reports to the Auditor General and the Committee on Public Enterprises (COPE), and submission of Cabinet memoranda.
- Coordination with other intuitions on matters relating to the general functions of the TRCSL.
- Attending to matters regarding previous Corporate Social Responsibility (CSR) activities.
- Administration of the Library and Media units.

PERFORMANCE OF THE YEAR 2020

Establishment Work and Revision of the Cadre

The Administration Division carried out the establishment work of the staff such as maintenance of personal files, recruitment, confirmation, promotions, leave records, attendance, performance appraisal of employees, disciplinary inquires, etc.

In 2020, necessary actions were taken by the division to prepare the performance evaluation for employees and to provide salary increments for 185 permanent staff officers. As per circular no 01/2016, salary conversions of 218 officers were also prepared for the year 2020 and the related documents have been handed over to Finance division. Besides, the division was engaged in the preparation of employees' progress review reports, preparation of salary conversions regarding the confirmation & promotion of officers, registration of officers in the Employees Provident Fund and conducting preliminary inquiries of employees.

The total number of 261 two-thirds reimbursements, 24 distress loans, and 07 vehicle loans were arranged by the division. Gratuity payments have also been arranged for three retired employees.

The total staff as of 31st December 2020 was 228. Out of the total staff, 04 were in Senior Managerial posts, 29 were in Middle Managerial posts, 151 were in subordinate ranks and 44 were in minor grades. The number of cadres approved for the TRCSL was 290.

A committee has been appointed to review the cadre, organization chart, and Scheme of Recruitment (SOR). According to the current requirements of TRCSL, necessary steps have been taken to develop the organization chart and Scheme of Recruitment (SOR) to provide a productive and up to date service. SLIDA consultancy service was obtained in this regard and the work is in progress.

The vacancies in the Executive Staff are required to be filled as per the prevailing requirements of the approved Scheme of Recruitment. Applications were called this year through a paper advertisement for the post of Internal Auditor (Technical) – Assignment basis and planned for conducting the interview.

Extensions were given to 14 contract employees and 06 secondment employees. 05 Consultant Assistants were recruited on an assignment basis for Colombo Lotus Tower. 02 Assistant Directors were recruited for Admin and Finance Divisions. 01 MA was promoted to Grade I. After the probation period, permanency was given to 04 MAs and 06 TOs. 02 contract officers were terminated due to the expiration of the contract and 03 officers were retired during the year 2020.

18 students from Government Universities and Vocational Training Institutes were recruited as trainees for a 06-month in-plant training by enabling them to gain industry exposure.

29 officers faced the Efficiency bar examination to assess attributes such as problem-solving, service orientation, and subject knowledge that support the development of the efficiency of their duties.

09 Internal transfers and duty covering replacements were arranged to deliver an efficient service for the required divisions.

Issuance of Office Circulars and Introduction of Office Procedures

In 2020, an online channel was instated for looking at circulars by the Ministry of Finance, Presidential Secretariat & Public Administration. These circulars were uploaded in the said channel for easy reference and to take necessary actions by the Heads of the Divisions & relevant officers.

Training

The TRCSL provided local as well as overseas training opportunities for the staff to enhance their knowledge, develop skills and change attitudes. Information relating to the participation of TRCSL officials in training programs/fellowships/seminars for 2020 is given below.

Table 21: Foreign Programmes attended in 2020

	Scope of Training/Fellowship/Seminar	Country	Period		Number Participated
			From (D/M/Y)	To (D/M/Y)	
01	18 th Core Course Organized by SAFIR	IIM Ahmadabad, Gujarat	20 th January 2020	23 rd January 2020	01
02	ITU e-learning course "legal regulatory and technical aspects of cloud computing in international data transfers" 15-22 June 2020	Online Training	15 th June 2020	22 nd June 2020	01

03	Series of ITU Satellite Webinar	Webinar	07 th September 2020	25 th September 2020	01
04	ITU Global Cyber Drill 2020	Online	15 th September 2020	05 th November 2020	01
05	Virtual Meeting for the 01 st of the APT Conference preparatory Group for WRC-23 (APG23-1)	Conference	24 th September 2020	25 th September 2020	01
06	The ITU e-learning course "QoS Technologies and Regulation for Fixed and Mobile"	Online Training	28 th September 2020	05 th October 2020	01
07	APT Training Course on Spectrum Management and Monitoring (online Training Course), Chennai, India	Online Training	05 th October 2020	16 th October 2020	02
08	21 st Meeting of the APT-SATRC	Online Meeting	27 th October 2020	28 th October 2020	02
09	The ITU e-learning course "Mobile Broadband Internet, 5G and Future Services"	Online Training	17 th November 2020	14 th December 2020	01
10	ITU Centers of Excellence for Asia-Pacific - Online Training Course On "Human Exposure to Radio Frequency Electromagnetic Fields"	Online Training	23 rd November 2020	06 th December 2020	03
11	ITU Centers of Excellence for Asia-Pacific - Online Training Course On "Cyber Security and Critical Infrastructure Protection"	Online Training	23 rd November 2020	05 th December 2020	02
12	APT online Training Course on Personal Data Protection and Cross Border Data Transfer	Online Training	23 rd November 2020	25 th November 2020	04
13	APT Training course on Smart Interconnection for Internet of things, Xi'an University of posts and Telecommunications (XUPT) Xi'an, PR China	Online Training	30 th November 2020	08 th December 2020	01
14	World Radio Communication Seminar- Part 01	Online Seminar	30 th November 2020	04 th December 2020	02
15	World Radio Communication Seminar- Part 02	Online Seminar	07 th December 2020	11 th December 2020	
16	15th Session of the General Assembly of the Asia -Pacific Telecommunity	Online Conference	03 rd December 2020	05 th December 2020	06
17	44th Session of the Management Committee of the Asia -Pacific Telecommunity	Online Conference	07 th December 2020	10 th December 2020	
18	ITU and USTTI Webinar on "Building Disaster Resilience through Emergency Telecommunication"	Webinar	15 th December 2020	16 th December 2020	02
19	APT Training course on Quality of Service (QoS) and Security in Internet Network for supporting Telemedicine, Bharat Ratna Bhim Rao Institute of Telecom Training Centre 9BSNL, Jabalpur, India	Online Training	16 th December 2020	22 nd December 2020	02

Table 22: Local Programmes attended in 2020

Programme	Institution	Venue	Duration	Number Participated
Public Procurement procedures	Skills Development Fund Ltd	SDFL Lecture Hall	30 & 31 July 2020	01
How to minimize audit quarries in Government Institutions	Skills Development Fund Ltd	SDFL Lecture Hall	30 & 31 July 2020	01
Risk Based Internal Audit Planning	Prag Institute	Grand Oriental Hotel, Colombo 01	27 August 2020	01
Losses waivers & write off	Skills Development Fund Ltd	SDFL Lecture Hall	24 & 25 August 2020	01
Preparation of Biding document for goods & services	Skills Development Fund Ltd	SDFL Lecture Hall	27 & 28 August 2020	01
Office Management, Etiquette & Customer Service	D & R Professional Development Centre	Galle Face Hotel, Colombo 03.	24 & 25 September 2020	01
Public Procurement Procedures	Skills Development Fund Ltd	SDFL Lecture Hall	24 & 25 September 2020	01
41 st National Conference of the Institute of chartered Accounts of Sri Lanka (Postponed in 2020)	The Institute of chartered Accounts of Sri Lanka	Virtual Conference	18 -21 January 2021	04

Procurement Activities

The division coordinates activities in the supply of different types of goods and services to the Commission. The activities include preparation of bidding documents, the publication of notices, the appointment of Technical Evaluation Committees and Procurement Committees, preparation and submission of reports for obtaining required approvals, an intimation of the decisions to relevant parties, preparation of service agreements in collaboration with the Legal Division, supervision of the work of the service providers and taking corrective measures when deviations from the service agreements were observed.

During the period under review, the number of Minor Procurement Committee and Senior Procurement Committee meetings were 07 and 04 respectively. The total approximate value of the procurement approved by the Minor Procurement Committee was Rs 5,058,869.42 & the total approximate value of the procurement approved by the Senior Procurement Committee was Rs. 61,682,235.08.

The division ensured an efficient supply of electricity, water and telephone services & took every possible measure to ensure timely supply of

stationery, office equipment, machinery to all the divisions of TRCSL.

Under the office maintenance and completion of infrastructure works arranged counter for lobby area, painted walls, supplied carpets in divisions, supplied and fixed exhaust fans and arrangements were done to repair air conditioners, doors, elevator, constructing boundary walls, barbed wire fences, and rainwater seepage, etc.

These activities were carried out in time to supply the required services and materials in a transparent, cost-effective, and fair manner for the smooth functioning of the organization through the COVID-19 situation.

Maintenance of Fleet of Vehicles

In 2020, the fleet of vehicles of TRCSL consisted of eleven cars, two double cabs, four jeeps, six vans, one bus, three lorries, and two motorbikes. The bus was allocated for inspection visits, transporting officials for during covid 19 situations work from the office, etc. Some vehicles of the fleet were allocated to directors and the other vehicles were used for official work such as inspection visits, participation in project program meetings/office transport, and delivery of official letters, etc.

An amount of Rs. 5,689,931.98 was spent in 2020 for the repairs, replacement of tires, batteries, and obtaining revenue licenses for the vehicle fleet.

Preparation of Action Plan, Corporate Plan, Progress Reports, and Annual Report pertaining to the year were submitted to relevant Ministries and Authorities.

Attending to matters regarding previous Corporate Social Responsibility (CSR) activities. Commission papers were submitted to the board regarding these matters. The Commission has decided to obtain the Attorney General's opinion regarding CSR matters through the Legal Division of TRCSL. Consultations were conducted with Attorney General's department and implemented Commission decisions.

Productivity/5S Concept

TRCSL conducted an awareness program for all staff on the productivity/5S concept via MS Teams. Video documentaries and pictures on productivity/5S Concept were published using MS-Teams. Awareness programs have been conducted at the TRCSL on the prevention of COVID-19. IT-based Record Room database indexing system was completed within the Administration Division. It was obtained approval for the establishment of digitalized record rooms at the divisional level. In the current COVID-19 pandemic situation, TRCSL started to provide services for the public through Work from Home procedures. Accordingly, the contact information was published on the official website of TRCSL to contact officials who are directly involved in customer inquiries regarding telecommunications/regulatory related matters. It was obtained Technical Evaluation Committee approval to fix file cupboards for storing paper-based files in limited spaces available in the divisions.

Logistics Support

The Administration Division provided logistical support for activities of other divisions of TRCSL as an essential action for office proper operation. During this year published 122 Newspaper advertisements, completed around 20 sworn translation works in the Sinhala Language to English and English to the Sinhala Language, co-ordinate & outsourced office Tamil translation requirements such as administrative reports, Cabinet memorandum, paper advertisements, gazette

notifications, applications, messages, and office project works, etc.

Recommendation/Approval of Payments

An important activity of the Administration Division is granting approval for a variety of payments related to increments, overtime, arrears, traveling and subsistence, disciplinary inquiry fees, vehicle repairs, purchase of perishable items, equipment, and machinery, books and periodicals, and supply of services (security, cleaning, water, telephone, electricity). The division carefully examined payment vouchers and made recommendations or granted approval depending on the nature of the payment within the authorized financial limits. Also, necessary actions were taken to make the payments without delay.

Welfare Activities

The following welfare activities were carried out during this year.

- Providing gifts to encourage children of TRCSL Welfare Association members who have passed the Grade 5 Scholarship Examination.
- Renewal of Insurance relating to Group Life and Medical Insurance Scheme of TRCSL Staff for the year 2020 / 2021 and Property, Plant, Equipment, and Vehicle Fleet of TRCSL 2020/2021 completed.

Media related activities

During the year 2020, the Media Unit provided media coverage for meetings, projects, inaugurations as well as momentous events organized by the TRCSL. During COVID –19 situation attended to prepare and awareness materials and published in social media. The media unit visited the venues, captured photographs, recorded videos, edited them, and stored them in the archival collection using the latest technologies.

Furthermore, the unit assisted in making promotional materials & documentary videos WTISD 2020, e-Waste Management Programme, and IMEI registration, creating public awareness through social media and the TRCSL website.

The unit engaged in activities of editing video footages that were sent to various institutions to make public awareness.

The Media Unit was also tasked with filming, covering, and storing the specific developmental

stages of the Lotus Tower project, school awareness programs, beach cleaning day, welfare activities, and meetings & technical surveys of Gamata Sannivedanaya project.

Library

The TRCSL library has been established to assist the individuals engaged in the telecom industry and other interested parties to update their knowledge. It has a large collection of textbooks and magazines on telecommunications, and it is being continuously strengthened to fulfill the requirement of the users. The library provides reference facilities not only to TRCSL staff but also to external parties such as researchers, university students, and schoolchildren, etc. The following activities were carried out in 2020.

Strengthening and maintenance of the library

- Renewed Periodical Subscription for 2020 and Paid subscription for the new Magazines.
- Building up articles (original) collection in Newspapers by special subjects for future reference.
- Commenced documentation services and abstracting services using TRCSL documents.
- Collected documents related to TRCSL and gathered them separately for easy reference.
- Started to prepare thesaurus on telecommunications using subject headings on the telecommunications industry.
- Data processing was made for specific original articles of the newspapers in order to provide Selective Dissemination of Information for users via the internet and intranet
- Renewed PURNA Library Database Maintenance Agreement. Library lending services were commenced electronically Using PURNA Database. PURNA Library Database System Convert to the PURNA: Web-based Integrated Library System.
- Collection of important information and preparation of indexes in office Advertisements, Vacancy Notices, Lotus Tower project, Act, Extra Ordinary Gazettes, Short codes, news article collection of Facebook/Information Technology and Current awareness services for books.
- Prepared Amateur Radio Information collection.
- Renewed British Council membership and assisted our staff to obtain public mobile library membership.
- Scanned and entered data of Extra-Ordinary Gazettes and Acts to the database to retrieve information using via the intranet.
- The interior layout of the library was changed and redesigned.
- In the classification of books, work was done on the new edition of the Universal Decimal Classification.

INFORMATION COMMUNICATION & TECHNOLOGY UNIT

OVERVIEW

Information Communication Technology (ICT) Unit has commenced introducing Digital Transformation across the TRCSL by implementing required software, solution, and platform to enable the new working environment and culture among the relevant stakeholders. This will provide information technology-based solutions for making the internal and external process in line with the latest state of the art technology for TRCSL employees and its customers.

The ICT Division is also playing a pivotal role to ensure the efficiency and effectiveness of the TRCSL functions and enhance operations through the strategic use of information technology to enable digitally driven organizations.

Further series of capacity-building/knowledge enhancement programs were put in place to introduce the technology and its usage among the staff at TRCSL.

FUNCTIONS/OBJECTIVES

- Preparation of an organization wide IT roadmap for the organization, formulate, implement and maintain IT policy and governance. Carry out an audit to identify the non-compliance areas and prepare the reports and rectify non-compliance-related issues.
- Managing, monitoring, analyze and prepare reports of ICT network and its cybersecurity audits from the respective system and devices.
- Ensure the smooth functioning of the Local Area Network and Wide Area Network of the organizations.
- Assessment of new technology and deploy the suitable one to improve the digital transformation of the organization.
- Plan, prepare and monitor progress reports of all IT projects by coordinating with relevant stakeholders.
- Develop, deploy and manage software system, database, and infrastructure to

improve working culture, productivity, and efficiency.

- Study and analyze with the support of other divisions and identify software, hardware, and infrastructure requirements for the digital transformation.
- Keeping the records of the Databases, Source Code, and backups in a secure and protected manner.
- Maintain the ICT asset registry and prepare an ICT procurement plan with the required budget.
- Coordinates and studies for the TRCSL officers to obtain new knowledge and skills in adopting the digital transformation as a digitally driven organization.
- Ensure all annual maintenance and subscription agreements are monitored and executed on time.
- Maintain all IT access-related admin credentials in a secure and protected way.
- Assess new staff training requirements, and prepare the annual plan on ICT training and implement the training schedule.
- Assign suitable staff/resources to provide support services for ICT users and implement the helpdesk support system.

PERFORMANCE

Introducing the new IT governess to TRCSL

ICT Governance document is a mandatory factor for the TRCSL for setting the ICT environment in the right direction through convergence. Currently, four ICT Governance documents have been published and implemented to the TRCSL. Published governance documents are here as follows.

- Guideline for the owners of the TEAMS in O365.
- Add Microsoft Planner and Microsoft Notebook in Teams.
- Enforce the Multi Factor Authentication across MS O365 at TRCSL.
- Bring Your Own Device policy within TRCSL IT infrastructure.

Monitor, analyze, and improvements of TRCSL network and security system/TRCSL Network enhancement to smooth operations

TRCSL has established a high-end security system to protect the TRCSL network environment from unauthorized access, device vulnerabilities & virus attacks as well as prevent the involvement of improper activities. Security systems and Firewall were installed in the network to safeguard the TRCSL network environment. During the past few years, TRCSL network users had to experience low network speed due to fully open access to the internet. ICT Division was able to speed up the network through advanced security policies and filtering the internet access by applying required security objects and policies in the firewall system.

Maintaining logs, analytics, management system, and Security Information Event Manager are essential for a network environment to obtain network activity insights, monitor firewall logs, monitor security events, and 24/7 bandwidth utilization. in the network to get the whole advantage of the TRCSL security system (Firewall).

Staff support and troubleshooting

IT unit attended staff support, troubleshooting according to the requirement, regular updates of website & social media platforms, and IT equipment procurements analysis.

ICT Capacity Building

In the growth of technology, knowledge of ICT is required for the organization's employees. To maximize the technical awareness of TRCSL employees, the ICT Unit had organized several ICT related technical sessions to enhance the knowledge of the internal employees. Mainly, Microsoft's basics and advanced knowledge is shared with most of the employees since most of them are using Microsoft products. Series of training in digital platforms and transformation conducted such as O365, Planner, MS booking, MS SharePoint List, etc. Especially Microsoft Teams training provided to the staff and it used during the COVID-19 pandemic to carry out the meetings and discussions. Also, Microsoft List training has been given and it is used to update and track the daily works of the employees.

Project on IMEI verification system / IMEI Management system to track the illegal phone importation to the country is up and running in the Sri Lanka Telecom Virtual Data Center

There was a major requirement of establishing an Equipment Identity Register in Sri Lanka. As an immediate requirement, the IT Division of TRCSL has completed the implementation of the National IMEI verification system to identify the unapproved IMEI-enabled devices that are used in mobile networks in Sri Lanka. With this system in place, TRCSL will implement barring of unapproved illegally imported IMEI devices from mobile networks upon approval to implement the same in near future. This system has become the largest database of the IMEI numbers in Sri Lanka under the purview of the TRCSL.

Process automation and implementation project

TRCSL IT unit is currently involved and started the digitalization of TRCSL functions to smooth the operations of the organization. So far, the IT Division has initiated the following projects.

- Human Resource Management with performance evaluation module (As an immediate requirement decided to offer a POC for a local product. Had a couple of presentations from local products. TEC has been appointed. Calling for tender/quotation and implementation is yet to be done by the Administrator Division and IT Division.
- IT help desk
- Asset Management System
- Spectrum Management - Introduced SMS-based application processing system in the Spectrum Management Division.
- Network Division application management system.
- SMS portal to communicate with TRCSL staff as well as customer vendors.
- TRCSL Call center (POC hold due to COVID-19 pandemic) & Customer Relationship Management (CRM)
- TRCSL Network enhancement and integration with IP PABX (Implementation is in progress). Teams and PABX Integration for call handling platforms with call-center and CRM function.
- Automation of tariff applications and operator status (POC) has been done and

necessary actions were taken. Decided to re-develop in a new platform as the POC was not successful.

- Finance management solution (Under procurement)
- Introduce the digital signature at TRCSL (In progress)
- Upgrade the existing Active directory into Azure cloud.

Online meeting platform

During the COVID-19 pandemic, there was an immediate requirement of an online meeting & collaboration platform for the official works. Since TRCSL was already subscribed to Microsoft Teams along with Microsoft 365, TRCSL was able to carry online meetings and collaboration using the above-said platform. As of today, most of the official works and discussions are carried out through the Microsoft teams whether at home or office.

Online booking for meetings/ appointments

Online booking has been initiated during the COVID-19 pandemic to address the TRCSL customers/vendors' requirement. The booking facility has arranged for the online appointments as well as the onsite appointments.

Microsoft SharePoint online platform

Microsoft SharePoint's online platform was introduced to track work from home or office among the division and departments.

Activities in progress

- Implementing the fully automated Finance Management System
- Implementing the fully automated HR Management System with a performance evaluation module.
- Introduce the digital signature at TRCSL.
- Upgrade the existing Active directory into Azure cloud.
- Overall digital transformation across TRCSL.
- Upgrading the Existing IMEI and Type Approval system.
- Upgrading the existing TRCSL websites.

FINANCIAL DIVISION UPDATE

OVERVIEW

Finance Division acts as a paramount role in financial management which involves all monetary functions of the Commission. Collection of Revenue and the optimum usage of such funds by way of proper investing is key highlighters. Not only that, controlling and spending are non to second, especially within the statutory requirements such as relevant rules and regulations of Financial Regulations, relevant Circulars, and Commission decisions.

Also, the maintenance of accurate financial records is one of the main responsibilities of the Finance Division due to the requirements to take important decisions by the Government. All Government institutions are bound by law to submit the financial statements to the Auditor General to determine the accuracy & completeness of the transactions. Also to ensure that all financial policies conform with the Generally Accepted Accounting Principles and Accounting Standards published by The Institute of Chartered Accountants of Sri Lanka and the financial procedures comply with the Financial Regulations of the Government.

Finance Division is also engaged in financial administration, cost control, project evaluation, development planning, and participating in strategic decision-making effectively and efficiently at the TRCSL.

FUNCTIONS

- Reporting financial results, variation with budget/forecast, and reasons for same.
- Preparation of the annual budget/forecast.
- Establishing & maintaining an internal control system.
- Maintaining records of all Fixed Assets and ensuring the security and optimum usage of the same.
- Guiding & assisting the top management in implementing the Capital & Revenue expenditure programs.
- Tax planning and compliance with relevant statutory authorities.

- Reviewing and analyzing periodic operational and financial reports such as Auditors Report and Audit Committee Reports and taking corrective/appropriate action to rectify the deviations, if any.
- Ensuring and following up prompt collection of different levies imposed by the Government and Act of Parliament.
- Preparing the delegation of Financial Authority annually and make necessary amendments subject to Commission approval.
- Ensuring the prompt and due remittance of the funds collected to the Government Treasury, under the Finance Act & Telecommunications Levy Act.
- Ensuring the Optimum usage of the excess funds, if any by way of low risk, high return investment.
- Preparing quarterly and annual Financial Statements of the Commission.
- Maintaining statistical records of Revenue, Expenditure, Assets, Liabilities and provide information to the top management as and when they are requested.

PERFORMANCE

Annual budget / Delegation of Financial Authority / Financial statement

Reports relating to Annual Budget 2021, Statement of Delegation of Financial Authority 2021, Annual Financial Statement 2019 were completed and submitted after obtaining the Commission approval.

Quarterly Financial Reports

2020 Quarter 04 / Annual Financial report preparation is in progress.

Quarterly income tax Return

It was announced that all the payments made to the consolidated fund by any public corporation could be considered as a qualifying payment and could be deducted in calculating income tax of such corporation with effect from 01.04.2019 as per Cabinet Memorandum on Inland Revenue (Amendment) Bill dated 07.01.2020. Accordingly, only 3 self-assessment basis payments were made during the Year of Assessment 2019, and the final

quarterly payment was quitted as soon as the said Cabinet Memorandum was issued.

Accordingly, for the 2019 year of assessment, a sum of Rs. 8,950,000,000 which was remitted to the consolidated fund was treated as a qualifying payment and hence there was no taxable income for that year of assessment.

On the same basis, TRCSL has not made any self-assessment basis income tax payments for the Year of Assessment 2020/2021 too.

Final Income tax calculation

There was no final payment of Income Tax for the year of assessment 2020/2021 due to the total remittance to consolidated fund out of TRC Revenue during the Year of Assessment was Rs. 5,000,000,000.

Monthly Statutory Collection under Telecommunications Levy Act and Finance Act

Monthly Statutory Collection under Telecommunications Levy Act and Finance Act were collected and remitted to the General Treasury within the stipulated period as follows; 1st Quarter - Rs.3,712 Mn, 2nd Quarter - Rs.3,728 Mn, 3rd Quarter - Rs. 3,840 Mn & 4th Quarter - Rs. 3,713 Mn.

Board of Survey 2019

Telecommunications Regulatory Commission of Sri Lanka (TRCSL) Board of Survey 2019 has completed and submitted the report to Director General, National Audit Office, and Internal Auditor.

Accepting direct cash/ cheque deposits / online fund transfers

Due to COVID-19 pandemic, the Finance Division has started to accept direct deposits and bank fund transfers and requested to send all the related information such as proforma invoice details/ related notices via email as soon as the settlements are done to trace the receipts.

As a result, smooth cash inflows of TRC and activities related to revenue collection have not been disturbed despite several lockdowns in the country.

Automation of the Finance Division

Steps have been taken to initiate automation of division activities to enhance the quality and accuracy of work and improve performance in collaboration with the IT Unit of TRCSL during this year. Preliminary discussions & IT requirements were identified to prepare specifications of this activity.

Revenue under Telecommunication Act No. 27 of 1996

The Statutory power to earn and collect the revenue of the Commission is vested by the Telecommunication Act No. 27 of 1996. Accordingly, the Commission earns/collects Revenue by way of "Radio License Fees, Cess Fees, System Operator License Fees, Vendor License Fees and other related fees from Public Switched Telephone Network (PSTN) operator and Radio Frequency users. Commission's Revenue is highlighted below.

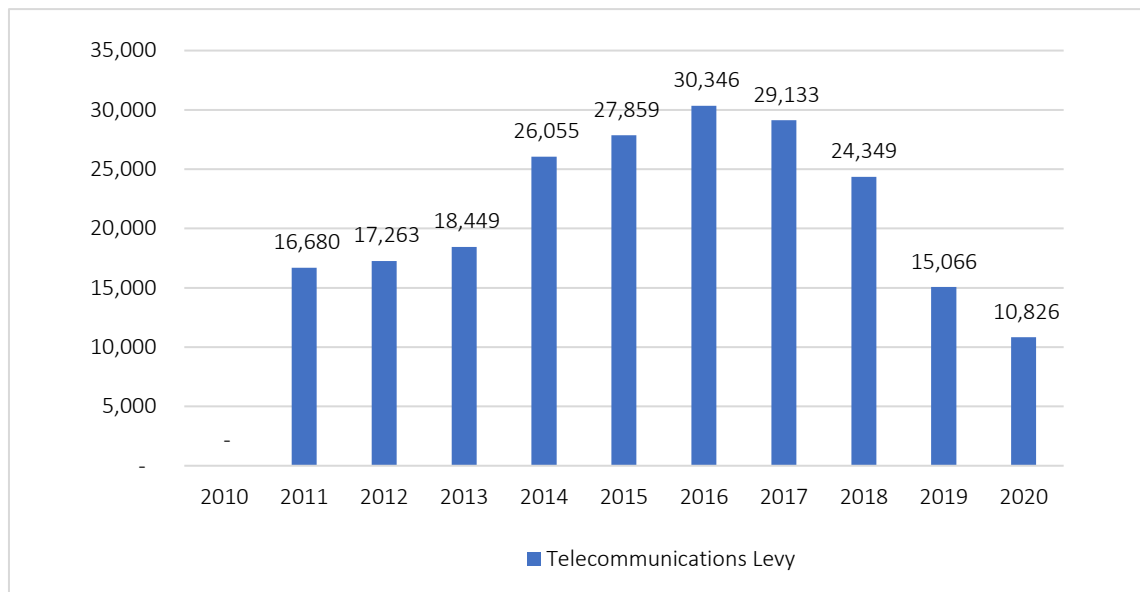
Table 23: Revenue of the Commission

Source of Income	2018 (Rs. '000)	2019 (Rs. '000)	2020 (Rs. '000)
System Operator License Fees	122,449	168,367	5,402
Cess Fees	4,550,706	4,713,115	4,674,874
Radio Frequency License Fees	10,789,520	7,048,994	6,724,408
Frequency Upfront Fees	1,071,429	4,032,143	-
Vendors License Fees	13,818	13,726	14,393
Amateur Radio License Fees	164	85	88
Ship Station License Fees	450	-	-
Aircraft License Fees	401	-	-
Cordless Phone Dealer Charges	114,619	116,388	94,408
Examination Fees	368	312	203
Type Approval Fee	-	-	102
Application Processing Fees	1,020	1,016	400
Short Code Charges	26,531	31,888	34,250
Sundry Income (Interest income from Fixed Deposits, Staff loans etc.)	1,108,519	369,992	488,995
Total	17,799,994	16,496,026	12,037,523

Collections under the Telecommunication Levy Act No. 21 of 2011

The present rate of the Telecommunication levy was 15% up to 01st November 2019. 25% reduction was anointed by the Government & the new Telecommunication Levy rate is 11.25% with effect from 01st December 2019. on the value of the supply of Telecommunication Services in terms of the provision of Telecommunication Levy Act, No. 21 of 2011.

Chart 13: Telecommunication Levy



Collections under Finance Act

International Telecommunication Operators' Levy

In addition to the above revenue, in terms of Finance Act No. 11 of 2004 as amended by the Finance Act No. 13 of 2009, the Commission collected the International Telecommunication Operator's Levy from International Telecommunication Operators.

As such, the Commission collected USD 0.06 per minute as Incoming Local Access Charges of which 50% were remitted to the Consolidated Fund, and balance 50% is retained as Telecommunication Development Charges.

Further, the Commission collected a Levy of Rs. 3.00 per minute from the outgoing international calls as Outgoing Local Access Charges, which was abolished with effect from 01st July 2019.

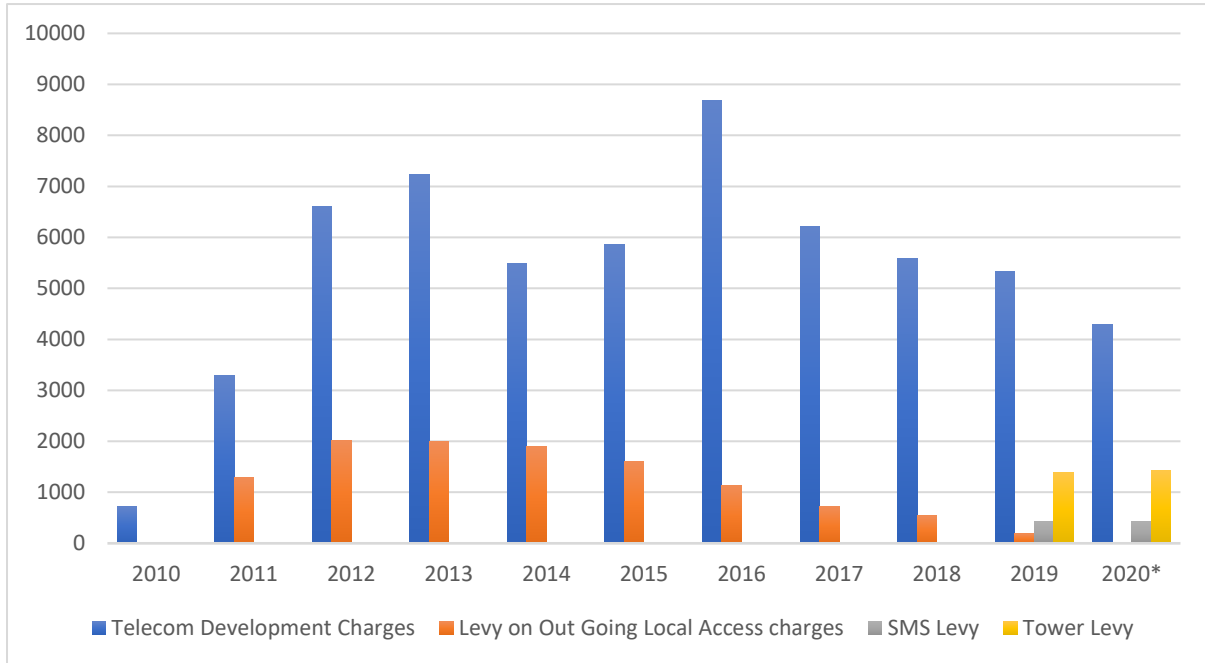
Cellular Tower Levy

This levy was introduced with effect from 01st January 2019 as a new levy and to be collected by TRCSL quarterly & remitted to the Consolidated Fund.

SMS Levy

This is charged as bulk SMS and introduced with effect from 01st April 2019 at the rate of Rs. 0.25 per SMS.

Chart 14: International Telecommunication Operator's Levy



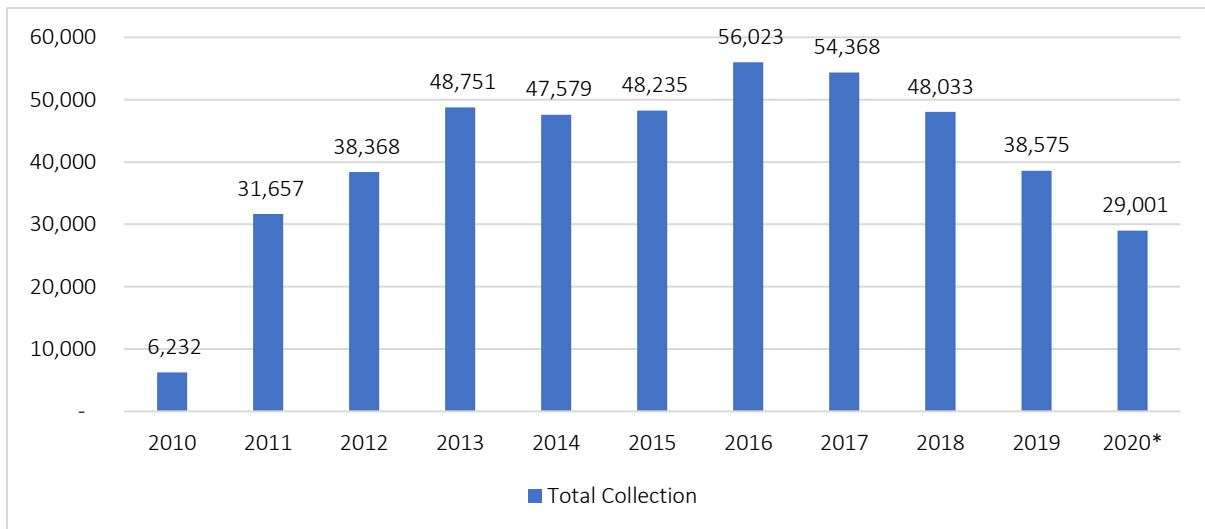
*Provisional data

Total Collections of Telecommunications Regulatory Commission of Sri Lanka

The total collection of the Commission consists of the revenue collected under,

- i. Sri Lanka Telecommunications Act, No. 25 of 1991 as amended by the Sri Lanka Telecommunications Amendment Act, No. 27 of 1996
- ii. Telecommunication Levy Act, No. 21 of 2011
- iii. Finance Act, No. 11 of 2004 as amended of the Finance Act, No. 13 of 2009.

Chart 15: Total collection of the TRCSL



*Provisional data

Remittance to the Consolidated Fund

In 2020, Rs. 18.8 billion was transferred to the Government Treasury by TRC to strengthen the Government Revenue as follows.

Table 24: Remittance to the Consolidated Fund

Description	2018 Rs. Bn	2019 Rs. Bn	2020* Rs. Bn
Telecommunication Act / TRC Funds	21.85	7.95	4.0
Telecommunication Levy	24.35	15.07	10.82
Telecom Development Charges 50%	2.79	2.67	2.15
Levy on Outgoing Local Access Charges	0.54	0.19	0
SMS Levy	-	0.42	0.42
Tower Levy	-	1.38	1.42
Total	49.53	27.68	18.8

*Provisional data

Property, Plant & Equipment

Rs. 0.6 Mn, Rs. 2.56 Mn, Rs. 0.37 Mn, 0.16 Mn & 1.32 Mn were spent to purchase Air Conditioners, Computer, Other Office Equipment, Mobile Phone & Office Furnitures respectively out of Rs. 5.01 Mn of additions to the Property, Plant & Equipment during the year 2020.

Investment

The Commission maintained Money Market Daily Transaction account with People's Bank and earned Rs.219 million interest income through such money market transactions during the year 2020.

INTERNAL AUDIT DIVISION AUDIT COMMITTEE UPDATES

INTERNAL AUDIT

OVERVIEW

Internal auditing is an independent activity aimed at adding value to the organization and its stakeholders when it considers strategies, objectives, and risk; strives to offer ways to enhance governance, risk management, and control process and objectively provide relevant assurance.

It is a catalyst for improving an organization's governance, effectiveness, risk management, and efficiency by providing insight and recommendations based on systematic analyses and assessments of data and business processes.

With a commitment to integrity and accountability. The scope of internal auditing within an organization is broad and may involve areas such as the efficacy of operations, the reliability of financial reporting, deterring, and investigating fraud, safeguarding assets, and compliance with rules and regulations.

The head of the Internal Audit Division (Internal Auditor) of TRCSL directly reports to the Commission and the reports are submitted to the Audit Committee. Administratively, the Internal Auditor reports to the Director-General.

FUNCTIONS

- Review and appraisal of existing accounting and reporting systems of TRCSL to make improvements thereto.
- Investigation into causes and effects of inabilities (if any) to achieve the objectives of TRCSL.
- Ascertainment of the extent to which TRCSL assets are safeguarded from losses and frauds.
- Making inquiries into necessities of transactions, benefits of transactions, and exploration of areas of cost reduction by eliminating waste and extravagance.
- Submission of reports to the Audit Committee based on the findings of the above-mentioned tasks and arranges Audit Committee meetings.
- Preparation and circulation of the decisions of the Audit Committee to Heads of Divisions to take appropriate action.
- Submission of half-yearly reports to the Auditor General's Department.
- Carry out special investigations when requested by the Director General / Members of the Commission.
- Assist and make recommendations to various committees appointed by Director General / Commission from time to time.

PERFORMANCE

Internal Audit Carried following activities for the year 2020.

Table 25: Activities carried out by the Internal Audit Division

#	Description	Complete/In progress/Other
01	TRCSL Receipts (Cash, Cheques & Money orders)	Completed & Submitted the Internal Audit Report
02	TRCSL Payments (except salaries and related payments, loans and advances to employees)	Completed & Submitted the Internal Audit Report
03	Issue of Vendor Licenses under Section 21 of the TRC Act No. 25 of 1991 as amended by Act No 27 of 1996.	Completed & Submitted the Internal Audit Report
04	Investments of TRCSL	Completed & Submitted the Internal Audit Report
05	Payment of Salaries & Wages	Completed & Submitted the Internal Audit Report
06	Loans and Advances paid to the Employees	Completed & Submitted the Internal Audit Report
07	Fire Protection Strategies at H/O of TRCSL	Completed & Submitted the Internal Audit Report
08	Annual Board of Survey – 31/12/2018	Completed & Submitted the Internal Audit Report
09	Internal Audit on internal controls during the lock down period	Completed & Submitted the Internal Audit Report
10	Coordinate with National Audit Office, regarding all audit queries & replies. – 40 audit queries	Completed
11	Coordinate with Department of Management Audit,	Completed
12	Sundry Income	Completed
13	Verification of Bank Reconciliations	Completed
14	Issue of new Licenses & Renewal of Licenses issued under Section 22 of the TRC Act No. 25 of 1991 as amended by Act No 27 of 1996.	Submission of the Internal Audit Report is in progress
15	Maintenance of Fixed Asset Inventory	Submission of the Internal Audit Report is in progress
16	Debtors and Creditors	Submission of the Internal Audit Report is in progress
17	Internal audit of Colombo Lotus Tower (Except engineering audit)	Submission of the Internal Audit Report is in progress

AUDIT COMMITTEE UPDATES

During the year 2020, four (04) Audit Committee meetings were held and following matters were discussed at these meetings.

1. **Audit Committee meeting held on 07th February 2020:** The reports/matters were discussed, and decisions /actions were taken as follows.

Subject Area	Action / Decision taken
Engineering Audit of Colombo Lotus Tower	<ul style="list-style-type: none"> • Internal Auditor to review Government audit special audit report and present a summary to next Audit Committee meeting to take appropriate action. • Internal Auditor to initiate conducting an internal audit on Lotus Tower Project (except engineering and technical audit).
Internal Audit of Special Projects	To recruit an Internal Auditor with engineering expertise on a contract basis to carry out the internal audit of all special projects.
Corporate Plan, Action Plan, Budget and Procurement Plan	It was instructed to follow up and to prepare all reports on or before the due dates.
Checking of Vehicle Loan	To revise the Vehicle Loan Circular after discussing with DG the drawbacks of current Circulars.
Report of the Investment of TRCSL	To have a discussion with the General Treasury on the investment of Treasury Deposit amounting to Rs.354mn.
Collection of Cess Fees 2018/2019	To refer surcharge matter to the Attorney General for his opinion.
Query received from Auditor General	<ul style="list-style-type: none"> • To perform an island wide Physical Verification of Telecommunication Towers. • To follow up tax matter with Attorney General. • To submit a Commission paper on Land belongs to Lotus Tower by revisiting the previous Commission decision against the information available.
Salaries and Wages	To adopt a mechanism to maintain periodical backups of the payroll and keep it securely.
Investment of TRCSL	To prepare an investment policy.
Fire Protection Strategies at Head Office of TRCSL	To ensure that Fire Extinguishers are replaced and repaired within two (02) weeks.

2. **Audit Committee meeting held on 03rd June 2020:** The reports/matters were discussed, and decisions /actions were taken as follows.

Subject Area	Action / Decision taken
Internal Audit of Colombo Lotus Tower Project	Revisit the current Internal Audit Plan on Lotus Tower Project (except engineering and technical audit).
Internal Audit of Special Projects	To re-advertise after receiving the final draft of the TOR for an Internal Auditor with Engineering expertise to carry out the internal audit of all special projects.
Annual Report, Action Plan	Submit the Annual Report for the year 2020 to the Commission by end of August 2020.
Checking of Vehicle Loan	To revise the vehicle loan circular.
Report of the Investment of TRCSL	To write to the bank to obtain more details on Treasury deposit amounting to Rs. 354 Mn.
Collection of Cess Fees 2018/2019	Submit a Commission paper along with correctly drawn procedure including all related requirements.
Query received from Auditor General	Island wide Physical Verification of Telecommunication Towers.
Report of the Investment of TRCSL	To verify the legality of investing the surplus fund in fixed deposit & money market through the state bank with the Treasury.
Query received from Auditor General Lotus Tower – Loan received and Payment	Send a letter to Exim Bank informing that TRCSL will deduct a proportionate amount in relation to management fee and insurance premium from the next payment.

3. **Audit Committee meeting held on 07th September 2020:** The reports/matters were discussed, and decisions /actions were taken as follows.

Subject Area	Action / Decision taken
Internal Audit of Colombo Lotus Tower (except Engineering Audit) and Special Projects	<ul style="list-style-type: none"> submit the Internal Audit Report on Lotus Tower Project (except engineering and technical audit). Recruit an observer on an assignment basis to observe the internal audit of the Colombo Lotus Tower project.
Internal Audit of Special Projects	To recruit an Internal Auditor with Engineering expertise on an assignment basis to carry out the internal audit of all special projects.
Checking of Vehicle Loan	Submit the finalized Vehicle Loan Circular to the next Audit Committee.
Report of the Investment of TRCSL	To follow up with the General Treasury on the Treasury deposit amounting to Rs. 354mn.
Collection of Cess Fees 2018/2019	Submit a Commission paper on the reply is received from Attorney General.
Queries received from Auditor General	<p>Prepare a comprehensive report.</p> <p>Reconciliation between the no. of towers approved, frequency licences granted, and Tower Levy charged and to design and document a mechanism to prevent issuing frequency licences without obtaining the approval for the installation of the tower in future.</p>
Report of the Investment of TRCSL	Submit the policy report to the Audit Committee after incorporating the amendments discussed at the meeting.
Verification of the Observations and Progress of Implementation of the Recommendations of Annual Board of Survey as at 31.12.2018.	Submit an Internal Audit Report after reviewing the Annual Board of Survey as at 31.12.2019.
Issuing of Vendor Licenses	Submit a comprehensive Commission paper on either the progress of implementation of the Internal Audit recommendations made on the above Internal Audit Report or alternative recommendations to be implemented on such Internal Audit observations.

4. **Audit Committee meeting held on 22nd December 2020:** The reports/matters were discussed, and decisions /actions were taken as follows.

Subject Area	Action / Decision taken
Internal Audit of Colombo Lotus Tower (expect Engineering Audit) and Special Projects	To recruit an independent Internal Auditor on an assignment basis for the internal audit of the Colombo Lotus Tower project.
Internal Audit of Special Projects	To appoint an independent Engineer to the Interview Board of selecting an Internal Auditor with engineering expertise to carry out the Internal Audit of all special projects undertaken by TRCSL.
Checking of Vehicle Loan	To resubmit the finalized Vehicle Loan Circular
Report of the Investment of TRCSL	To grasp the possibility to ensure the existence of the investment with the General Treasury on the Treasury Deposit amounting to Rs.354mn.
Collection of Cess Fees 2018/2019	To jointly submit a Commission paper on imposing of surcharge is not provided in terms of Section 22G of Sri Lanka Telecommunications Act 1996 including all related requirements.
Query received from Auditor General	To continue the Island Wide Physical Verification of Telecommunication Towers. To finalize the reconciliation between the No. of towers approved, frequency licences granted, and Tower Levy charged.
Report of the Investment of TRCSL	To submit the draft Investment Policy to the Commission.
Verification of the Observations and Progress of Implementation of the Recommendations of Annual Board of Survey as at 31.12.2018.	To submit an Internal Audit Report after reviewing the Annual Board of Survey as at 31.12.2019.
Issuing of Vendor Licenses	A comprehensive Commission paper has submitted on alternative recommendations to be implemented on the Internal Audit observations.
Process of Granting and Recovery of Distress Loan	To submit the draft Distress Loan Circular after identifying and incorporating better procedures followed by well-established Government institutions as a benchmark to the next Audit Committee.

REGULATORY COMMITTEE UPDATES

The Telecommunications Regulatory Commission of Sri Lanka has established a “Regulatory Committee” to discuss and take necessary decisions when specific regulatory issues arise. It is assisting to minimize and solve regulatory issues as well as risks in operating and smooth functioning of the Telecommunications Regulatory activities.

The Regulatory Committee is chaired by the Director-General and is represented by Heads of the Divisions from Spectrum, Networks, Policy & International Relations, Legal, Competition, Licence Management, Compliance & Investigations, and Finance Divisions. The Deputy Director of the

Competition (Tariff) is the Secretary of the Committee.

Telecommunication regulatory-related matters are submitted to the convener of the committee and presented to the regulatory committee. Then the committee provides necessary direction and implementation through respective divisions. Necessary Commission decisions on relevant actions are obtained if required.

During the year 2020, four Regulatory Committee meetings were conducted on 08th January, 17th February, 08th June, and 09th August 2020.

The Summary of the Committee meeting decisions is shown below.

Regulatory Subject Area	Decisions of the Regulatory Committee
Tariff	Tariff Guidelines were amended by the Regulatory Committee.
	It was decided to introduce a negative credit system/demerit point for operators of non-compliance.
	The requirement of a Tri-Party conversation for the SLT Go application was highlighted and decided to verify the experience of other countries.
Compliance	Actg. D (CL) has expressed that all the operators adhered to the Default Data Rate Determination other than Hutchison. The committee decided to send a letter informing them to offer default data at 10Kb blocks.
Consumer Affairs	It was decided to communicate with the customer that the FTTH connectivity is for double, and trible play customers.
Complaint made by the Communication Owner’s Association	It was decided to reply to the Association on each point that they have highlighted in their request.
Licence Management	Since some vendors are not renewing their licence on time, it was decided to consider the delayed vendor licence applications not as renewals but as new applications.
Legal Affairs	It was decided to study and report the progress on coverage obligation commitment made by Hutchison at the time of the merger with Etisalat.
Type Approval	It was decided to check the transmitters approved by the Commission against what they currently have in operation.



FINANCIAL STATEMENT

FOR THE YEAR 2020


TELECOMMUNICATIONS REGULATORY COMMISSION OF SRI LANKA
 STATEMENT OF FINANCIAL POSITION
 AS AT 31ST DECEMBER 2020
 (Expressed in Sri Lankan Rupees)

	<u>Notes</u>	<u>Year as at 31.12.2020</u>	<u>Year as at 31.12.2019</u>
ASSETS			
NON-CURRENT ASSETS			
Property, Plant & Equipment	4	12,052,545,214	12,142,180,868
Intangible Assets	4.1	1	1
Work In Progress	5	22,274,373,401	21,719,123,143
Investment	6	1,500,000,000	354,000,000
TOTAL NON-CURRENT ASSETS		<u>35,826,918,616</u>	<u>34,215,304,011</u>
CURRENT ASSETS			
Accounts Receivable	7	2,246,199,611	2,467,771,521
Prepayments and Advances	8	218,359,245	225,504,893
Loans and Other Receivables	9	2,274,343,557	2,977,579,154
Cash & Cash Equivalents	10	7,985,067,767	3,624,973,581
TOTAL CURRENT ASSETS		<u>12,723,970,179</u>	<u>9,295,829,149</u>
TOTAL ASSETS		<u>48,550,888,795</u>	<u>43,511,133,160</u>
EQUITY AND LIABILITIES			
EQUITY			
Government Contribution	11	526,214,744	526,214,744
Accumulated Surplus		26,915,197,200	19,764,217,681
Revaluation Surplus		37,380,000	37,380,000
TOTAL EQUITY		<u>27,478,791,944</u>	<u>20,327,812,426</u>
NON-CURRENT LIABILITIES			
Project Loan - Exim Bank (Lotus Tower)		4,317,085,861	5,775,390,598
Retention	12	62,749,026	46,152,801
Retirement Benefit Obligation	13	20,253,726	22,756,459
Urban Development Authority		9,450,000,000	9,450,000,000
TOTAL NON-CURRENT LIABILITIES		<u>13,850,088,613</u>	<u>15,294,299,858</u>

TELECOMMUNICATIONS REGULATORY COMMISSION OF SRI LANKA
 STATEMENT OF FINANCIAL POSITION
 AS AT 31ST DECEMBER 2020 (Contd...)
 (Expressed in Sri Lankan Rupees)

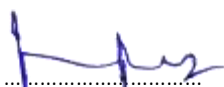
	<u>Notes</u>	<u>Year as at 31.12.2020</u>	<u>Year as at 31.12.2019</u>
CURRENT LIABILITIES			
Accounts Payable	14	133,749,889	138,715,771
Advances, Deposits and Other Payables	15	3,758,122,308	4,295,761,430
Payable To Treasury	16	1,385,898,515	1,560,142,776
Lotus Tower Delay Damages		1,944,237,526	1,894,400,900
TOTAL CURRENT LIABILITIES		<u>7,222,008,238</u>	<u>7,889,020,877</u>
TOTAL LIABILITIES		<u>21,072,096,851</u>	<u>23,183,320,735</u>
TOTAL EQUITY AND LIABILITIES		<u>48,550,888,795</u>	<u>43,511,133,160</u>

Accounting Policies and Notes to the Financial Statements form an integral part of the Financial Statements. I certify that the financial statements of the Commission give a true and fair view of the state of affairs as at 31st December 2020 and its surplus for the period then ended.



Jayantha MK
 Director Finance

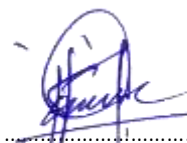
The Commission is responsible for the preparation and presentation of these Financial Statements. Approved and signed for and on behalf of the Commission.



Jayantha De Silva
 Chairman



Oshada Senanayake
 Director General



Chaaminda Kumarasiri
 Member of the Commission

TELECOMMUNICATIONS REGULATORY COMMISSION OF SRI LANKA
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2020

(Expressed in Sri Lankan Rupees)

	<u>Notes</u>	<u>Year Ended 31.12.2020</u>	<u>Year Ended 31.12.2019</u>
Revenue			
Income	17	29,000,860,956	38,575,208,162
Total Operating Income		29,000,860,956	38,575,208,162
<u>Less:</u> Regulatory Expenses	18	(54,779,057)	(78,881,625)
Net Total Operating Income		28,946,081,898	38,496,326,537
<u>Less:</u> Other Expenses			
Administration & Establishment	19	679,034,945	682,031,488
Finance & Others	20	5,323,930	4,471,433
(Gain) / Loss on Foreign Currency Transactions		233,672,260	(73,717,095)
Total Expenditure		918,031,136	612,785,826
Profit for the Year from Continuing Operations Before Income Tax		28,028,050,762	37,883,540,711
<u>Less:</u> Income Tax		(702,941,276)	0
Profit for the Year from Continuing Operations After Income Tax		27,325,109,486	37,883,540,711
Other Comprehensive Income			
Gain/(Loss) on Retirement Benefit Obligation		(2,504,579)	(7,142,875)
Total Other Comprehensive Income for the Year		(2,504,579)	(7,142,875)
Total Comprehensive Income for the Year After Tax		27,322,604,907	37,876,397,836
<u>Less:</u> Contribution to the Consolidated Fund	21-1	(18,817,625,389)	(27,680,970,570)
Total Comprehensive Income for the Year After Contributing to the Consolidated Fund		8,504,979,519	10,195,427,265
<u>Add:</u>			
Total Comprehensive Income Brought Forward		19,764,217,681	10,568,790,416
<u>Less:</u> Contribution to the Consolidated Fund	21-2	(1,000,000,000)	(1,000,000,000)
<u>Less:</u> Treasury deposit balance to be treated as remittance to Consolidated Fund		(354,000,000)	0
		18,410,217,681	9,568,790,416
Total Comprehensive Income Carried Forward		26,915,197,200	19,764,217,681

TELECOMMUNICATIONS REGULATORY COMMISSION OF SRI LANKA
 STATEMENT OF CASH FLOW
 FOR THE YEAR ENDED DECEMBER 31, 2020
 (Expressed in Sri Lankan Rupees)

	<u>Notes</u>	<u>Year Ended 31.12.2020</u>	<u>Year Ended 31.12.2019</u>
<u>Cash Flows from Operating Activities</u>			
Cash Generated from Operations	22	27,418,445,022	38,034,421,151
Tax Paid		0	(4,531,974,300)
Retirement Benefit Obligation Paid		(3,429,146)	(3,750,811)
Net Cash Generated from Operating Activities		<u>27,415,015,876</u>	<u>33,498,696,040</u>
<u>Cash Flow from Investing Activities</u>			
Purchase of Property Plant & Equipment		(2,337,147)	(62,791,020)
Projects under Work in Progress		(552,571,443)	(3,916,017,664)
Net Investment in Fixed Deposit		(1,146,000,000)	0
Interest Income from Fixed Deposit		229,905,799	32,741,587
Investment in Fixed Deposit - Gratuity Obligation		(11,250,000)	(7,650,000)
Interest Income from Fixed Deposit - Gratuity Obligation		5,884,108	6,654,523
Proceed from sale of Property, Plant & Equipments		39,600	225,836
Net Cash used in Investing Activities		<u>(1,476,329,084)</u>	<u>(3,946,836,738)</u>
<u>Cash Flow from Financing Activities</u>			
Mobilization Advance Payment	23	294,612	389,770,474
Interest Income from Money Market Transactions		218,844,390	310,471,287
Remittance to the Consolidated Fund		(19,817,625,389)	(28,680,970,570)
Treasury deposit balance to be treated as remittance to Consolidated Fund		(354,000,000)	0
Project Loan - Exim Bank (Lotus Tower)		(1,647,902,297)	(1,592,699,044)
Retention		16,596,225	0
Net Cash used in Financing Activities		<u>(21,583,792,458)</u>	<u>(29,573,427,853)</u>
Net (Decrease) / Increase in Cash and Cash Equivalents		<u>4,354,894,334</u>	<u>(21,568,551)</u>
<u>Movement in Cash and Cash Equivalents</u>			
As at 01 st January 2020	10	3,624,973,581	3,647,565,507
(Decrease) / Increase		4,354,894,334	(21,568,551)
Exchange (Losses) / Gains on Cash and Cash Equivalent		5,199,852	(1,023,374)
As at 31st December 2020	10	<u>7,985,067,767</u>	<u>3,624,973,581</u>

TELECOMMUNICATIONS REGULATORY COMMISSION OF SRI LANKA
 STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED DECEMBER 31, 2020
 (Expressed in Sri Lankan Rupees)

	Government Contribution	Revaluation Surplus	Accumulated Surplus / (Deficits)	Total Equity
Balance at 01st January 2019	526,214,744	37,380,000	10,568,790,416	11,132,385,160
Less: Transfer to Consolidated Fund	-	-	(1,000,000,000)	(1,000,000,000)
	526,214,744	37,380,000	9,568,790,416	10,132,385,160
Total Comprehensive Income for the Year Ended 31 st December 2019	-	-	10,195,427,265	10,195,427,265
Balance at 31st December 2019	526,214,744	37,380,000	19,764,217,681	20,327,812,426
Balance at 01st January 2020	526,214,744	37,380,000	19,764,217,681	20,327,812,425
Less: Transfer to Consolidated Fund	-	-	(1,000,000,000)	(1,000,000,000)
Less: Treasury deposit balance to be treated as remittance to Consolidated Fund	-	-	(354,000,000)	(354,000,000)
	526,214,744	37,380,000	18,410,217,681	18,973,812,425
Total Comprehensive Income for the Year Ended 31 st December 2020	-	-	8,504,979,519	8,504,979,519
Balance at 31st December 2020	526,214,744	37,380,000	26,915,197,200	27,478,791,944

TELECOMMUNICATIONS REGULATORY COMMISSION OF SRI LANKA

NOTES TO THE FINANCIAL STATEMENTS – 31.12.2020

(All amounts in notes are shown in Sri Lankan Rupees unless otherwise stated)

1. GENERAL INFORMATION

Telecommunications Regulatory Commission of Sri Lanka is an Independent Body and established under the Sri Lanka Telecommunication Act, No. 25 of 1991 as amended by the Sri Lanka Telecommunications Amendment Act, No. 27 of 1996 to regulate the telecommunication sector, in Sri Lanka.

The registered office of the Commission is located at No.276, Elvitigala Mawatha, Colombo 8.

Principal activities of the Commission which are cited in the said Act are as follows:

The Commission shall exercise its powers under the Act in a manner which it considers is be calculated to promote the national interest and in particular

- (a) To ensure the provision of a reliable and efficient national and international telecommunication service in Sri Lanka (save in so far as the provision thereof is impracticable) such as will satisfy all reasonable demands for such service including emergency services, public call box services, director information services, maritime services and rural services as may be considered essential for the national wellbeing.
- (b) Without prejudice to the generality of paragraph (a), to secure that every operator shall have and employ the necessary technical, financial and managerial resources to ensure the provision of the services specified in his license.
- (c) To protect and promote the interests of consumers, purchasers and other users and the public interest with respect to the charges for, and the quality and variety of telecommunication services provided and telecommunication apparatus supplies.
- (d) To maintain and to promote effective competition between persons engaged in commercial activities connected with telecommunication and promote efficiency and economy on the part of such persons.
- (e) To promote the rapid and sustained development of telecommunication facilities both domestic and international.
- (f) To ensure that operators are able to carry out their obligations for providing a reliable and efficient service free of undue delay, hindrance or impediment.
- (g) To promote research into and the development and use of new techniques in telecommunications and related fields.
- (h) To encourage the major users of telecommunication services whose places of business are outside Sri Lanka to establish places of business within Sri Lanka and
- (i) To promote the use of Sri Lanka for international transit services

2. STATEMENT OF COMPLIANCE - BASIS OF PREPARATION

The Commission prepares its Financial Statements in accordance with the Sri Lanka Accounting Standards (“SLFRS” and “LKAS”) issued by the Institute of Chartered Accountants of Sri Lanka and the requirements of Sri Lanka Accounting and Auditing Standards Act No.15 Of 1995.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these Financial Statements are set out below.

These policies have been consistently applied to the years presented, unless otherwise stated.

3.1 Basis of preparation

The Financial Statements of TRCSL have been prepared in accordance with Sri Lanka Accounting Standards (“SLFRS” and “LKAS”). The Financial Statements have been prepared under the historical cost convention. No adjustment has been made for inflationary factors affecting these Accounts.

3.1.1 Foreign Currency Conversion

All foreign currency transactions are converted at the rate of exchange prevailing at the time of the transactions were affected. Assets and Liabilities in foreign currencies are translated at the rates of exchange prevailing at the Balance Sheet date. The resulting gains and losses are dealt within the Income and Expenditure Account.

3.2 Assets and the bases of their valuation

3.2.1 Property, Plant and Equipment

(a) Measurement at Recognition

All the Property, Plant and Equipment are stated at cost less accumulated depreciation or impairment loss. The cost of property, plant and equipment comprises its purchase price and any directly attributable cost to bring the asset to working condition for its intended use.

Subsequent cost incurred for the purpose of acquiring, extending or improving assets of a permanent nature in order to carry on or flow future economic benefits associated with the item to the Commission has been treated as capital expenditure. The carrying amounts of replaced parts are de-recognized. All other repairs and maintenance are charged to the comprehensive income during the financial period in which they are incurred.

The process of drafting a Revaluation Policy of TRCSL is in progress and it is under the final review of the Commission and subject to the opinion of Auditor General. Once it will be finalized and approved, Property, Plant and Equipment will be measured at its revalued amounts as per said policy.

Fixed assets which were fully depreciated, but still in use also will be addressed as per above policy and true picture of fixed assets will be depicted in Financial Statements in coming financial year upon reviewed and approved Revaluation Policy.

(b) Depreciation

Land is not depreciated. Depreciation on other assets is recognized in profit or loss on a straight-line method over the estimated useful life of each part of the item of property plant & equipment. In the year of acquisition, depreciation is computed on proportionate basis from the month the asset put into use and no depreciation will be charged to the month in which the particular asset is disposed.

(c) Estimated Useful Lives of PPE

Buildings	Over 20 Years
Telecommunication Towers	Over 10 Years
Furniture & Fittings	Over 10 Years
Office Equipment	Over 10 Years
Computers	Over 04 Years
Air Conditions	Over 10 Years
Motor Vehicles	Over 08 Years
Generators	Over 10 Years
Elevators	Over 10 Years
Office Telephones	Over 10 Years
Office Furniture	Over 10 Years
Technical Equipment	Over 10 Years
Web Server	Over 04 Years
Gymnasium Equipment	Over 04 Years
Video Unit Equipment	Over 04 Years

(d) Intangible Assets

Acquired Computer Software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. Those costs are amortized over a period of one year.

(e) Capital Work-In-Progress

Capital work in progress is stated at cost. These are expenses of a capital nature directly incurred in the construction of buildings and system development awaiting capitalization.

(f) De-recognition

The carrying amount of an item of Property, plant and equipment is de-recognized on disposal. Gains and losses on disposal of an item of Property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, plant and equipment and the amount is recognized within "Other Income" in profit or loss.

3.2.2 Investments

During the year 1998, a sum of Rs. 354,000,000/- was remitted to General Deposit of Account which was maintained by the General Treasury and shown under the investments, as Treasury Deposit.

After 22 years, i.e. in year 2020 this deposit balance was queried due to unavailability of any proof document in order to verify existence. Accordingly, this was discussed extensively at the Internal Audit Committee meetings of TRCSL where representatives from Treasury and National Audit Office also participated as committee members.

At the Audit Committee meeting held on 12.01.2021, the Treasury representative, Ms. M.G.M. Premathilake highlighted that as a general procedure of the Treasury, if any investment exists more than two years in the treasury accounts, the Internal Audit of the General Treasury would instruct State Accounts Division to treat it as a Revenue of the Treasury. Representative of National Audit office, Ms. K.R.T Manike too, stated that TRCSL has to consider the accounting treatment of Rs 354 Million in its books of accounts which is in line with the treatment made by State Accounts Division.

Thus, during the period under review it was decided to offset Rs. 354 Mn Treasury deposit account against the brought forward/accumulated excess income over expenditure (Adjusting from accumulated surplus), by which it would be treated as funds remitted to Consolidated funds out of TRCSL surplus revenue of past years.

3.2.3 Accounts Receivable

Accounts receivable are recognized and carried at original invoice amount and less/after deducting an allowance for any uncollectible amounts. An estimate for doubtful receivables is made when collection of the full amount is no longer probable.

3.2.4 Prepayment and Advance

Mobilization Advance

- (a) Lotus Tower – 100% mobilization advance was recovered during the year 2019.
- (b) IT Park – The Arbitration process of the IT park project is in progress as per the ICTAD conditions.

3.2.5 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, cash at bank and Money Market Savings account at bank.

3.3 LIABILITIES AND PROVISIONS

All material liabilities as at the balance sheet date are included in the Financial Statements and adequate provision has been made for liabilities which are known to exist but the amount of which cannot be determined accurately.

Obligation payables on demand or within one year from the last date of financial year are treated as current liabilities in the Statement of Financial Position. Liabilities payable after one year from the last date of financial year are treated as non-current liabilities in the Statement of Financial Position.

3.3.1 Capital Commitment and Contingencies

Capital expenditure commitments and contingent liabilities as at the date of the Statement of Financial Position have been disclosed under note no. 3.7.

3.3.2 Employee Benefit

(a) Retirement Benefit Obligation

The movement in the retirement benefit obligation over the year is given below

	2020 (Rs.)	2019 (Rs.)
Balance at the beginning of financial year	80,831,913	62,930,515
Current Service Cost	3,961,342	3,683,105
Interest Cost	5,071,456	4,171,706
Charged as other expenses to the Statement of Comprehensive Income	9,032,798	7,854,811
Actuarial losses / (gains)	2,504,579	7,142,875
Benefits paid	(3,429,146)	(3,750,812)
Add: Interest earned on the investment which is to cover gratuity obligation	5,884,108	6,654,523
Balance at the end of financial year	94,824,253	80,831,913

The Commission has adopted the retirement benefit plan as required under the payment of Gratuity Act, No.12 of 1983 for all eligible employees. The retirement benefit plan is funded.

The retirement benefit plan defines the amount of benefit that an employee will receive on retirement. The liability recognized in the Statement of Financial Position in respect of defined benefit plan is calculated annually by the Commission using the Projected Unit Credit method prescribed in Sri Lanka Accounting Standard – LKAS 19: Employee Benefits.

Gains and losses arising from changes due to over or under provision in the previous year are charged or credited to Statement of Comprehensive Income in the period in which they arise. The Obligation for the

year is recognized immediately in the Statement of Comprehensive Income. The amount equals to the gratuity obligation is invested in a fixed deposit by the Commission.

The principal actuarial assumptions used were as follows.

Discount Rate	-	8% per annum
Rate of salary increment	-	1% - 6.7%
Retirement Age	-	60 years

(b) Defined Contribution Plans

Obligation for contributions to defined contribution plan is recognized as an expense in the Statement of Comprehensive Income as incurred.

(c) Employee Provident Fund (EPF) and Employee Trust Fund (ETF)

All employees of the Commission are members of Employee Provident Fund (EPF) and Employee Trust Fund (ETF).

The Commission contributes 15% and 3% of the basic salary of employees to Employee Provident Fund (EPF) and to Employee Trust Fund (ETF) respectively, and employee contributes 10% to the EPF.

3.4 REVENUE RECOGNITION

3.4.1 Revenue is recognized in accordance with Sri Lanka Accounting Standard - LKAS 18, except revenue items in notes from 3.4.1.2 to 3.4.1.4

3.4.1.1 Frequency License Fee

As per sec. 22 of the Sri Lanka Telecommunications Act No. 25 of 1991 as amended by the Sri Lanka Telecommunications Amendment Act No. 27 of 1996, Frequency license fee is the fee which has to be paid by the frequency user for the use of any radio frequency or radio frequency emitting apparatus. Therefore, Ship station fee and Aircraft license fee were also classified under the Radio Frequency license fee since year 2019.

If the licence period of any frequency license fee which was collected during the year runs through next year, the proportionate amount relevant for the following year is recognized as Revenue in Advance and classified under the heading of Advances, Deposits and other payables.

3.4.1.2 Operator License fee

Operator license fee is recognized on cash basis when the new licenses are issued, or existing licenses are renewed for the period of either 10 years or 05 years, to the telecom operators under section 17 of the Sri Lanka Telecommunication Act, No. 25 of 1991 as amended by the Sri Lanka Telecommunication Amendment Act, No. 27 of 1996.

3.4.1.3 Vendor License Fee/ Cordless Phone Dealer Charges/ Short Code Charges/ Application Processing Fee

Vendor license fee is recognized on cash basis when the licenses are issued to the persons under section (21) of the Sri Lanka Telecommunication Act, No. 25 of 1991 as amended by the Sri Lanka Telecommunication Amendment Act, No. 27 of 1996.

3.4.1.4 Cess Fee

Cess fee is recognized as per the condition of the 22(G) of Sri Lanka Telecommunications Act, No. 25 of 1991 as amended by the Sri Lanka Telecommunications Amendment Act, No. 27 of 1996.

3.4.2 Telecommunication Levy

Telecommunication Levy (TL) received from the telecom operators under the Telecommunication Act, No. 21 of 2011 are recognized as revenue and subsequently remitted to the State Consolidated Fund.

Telecommunication Levy rate on telecommunication service was reduced to 15% from 25% with effect from 05.11.2018 and again it was reduced to 11.25% from 15% with effect from 01.12.2019 with an

amendment to the Telecommunication Levy, Act No. 21 of 2001, which was decided in a meeting of Cabinet of Ministers held on 27.11.2019.

Recovery process of unpaid telecommunication levy and Cess fee from Lanka Cable Satellite Network (Pvt) Ltd, Ask Cable Vision (Pvt) Ltd., SupremeSAT (Pvt) Ltd, Lanka Broadband Network (Pvt) Ltd and City Cable Links (Pvt) Ltd is in progress.

Legal action for default TL payment from Lanka Cable Satellite Network (Pvt) Ltd and Lanka Broadband Network (Pvt) Ltd shall be taken as per the provisions of Telecommunication Act, No. 21 of 2011.

3.4.3 Telecommunication Development Charges

Telecommunication Development Charges received from the External Gateway Operators under the Part III of the Finance Act; No.11 of 2004 are recognized as revenue. 50 percentage of this revenue is remitted to the State Consolidated Fund, on or before the stipulated due dates.

3.4.4 International Outgoing Call Levy

International Outgoing Call Levy received from the External Gateway Operators under the Part III of the Finance Act, No.11 of 2004 and the Regulations published in Extraordinary Gazette Notification No. 1738/15 dated 29th December 2011 are recognized as revenue and remitted to the State Consolidated Fund, on or before the stipulated due dates.

Outgoing Local Access Charges (OLAC) was abolished with effect from 01.06.2019 as per 2019 budget decision which was published via Extraordinary Gazette No. 2123/19 on 14th May 2019 under Finance Act No. 11 of 2004.

3.4.5 Levy on Bulk Short Message Service (SMS)

Levy on Bulk Short Message Service (SMS) was imposed with effect from 01.01.2019 under the part xiii of the Finance Act No. 35 of 2018 and regulations published in the Extraordinary Gazette No. 2104/16.

3.4.6 Cellular Tower Levy

Cellular Tower Levy was imposed with effect from 01.01.2019 under the part xii of Finance Act No.35 of 2018 and the regulations published in the Extraordinary Gazette No. 2104/16.

3.4.7 Sundry Income

Sundry income comprises interest income on funds invested in short-term fixed deposit and Money Market Investments, Kokavil Lease Rental, Madukanda Lease Rental etc. Interest income is recognized as it accrues in gain or loss on the maturity date.

3.5 EXPENDITURE

Expenses are recognized in the comprehensive income statement on the basis of direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the Commission and in maintaining the capital assets in a state of efficiency has been charged to revenue in arriving at the surplus for the year.

3.5.1 Income Taxes

The tax exemption granted to the TRCSL under the Inland Revenue Act No. 10 of 2006, amended, was abolished with the enforcement of the new Inland Revenue Act No. 24th of 2017 and the effective date of which starts since, 1/4/2018.

Payment made to consolidated fund by any public corporation is considered as a qualifying payment and could be deducted in calculating income tax of such corporation with effect from 01.04.2019. Accordingly, an amount of Rs. 1,077,656,108.00 which was overpaid in 2019 as income tax together with WHT to the Department of Inland Revenue, which are treated as tax credits for the financial year ended 31.12.2020.

The Tax period of TRCSL is from 1st January to 31st December as approved by the Commissioner General of Inland Revenue. Accordingly, the tax liability for 2020 is shown below.

	2020 (Rs.)
Accounting Profit before Taxation	28,028,050,762
Add: Total disallowable expenses in determining taxable income/ (loss)	328,323,876
Less: Income on Levies, total allowable expenses & interest income in determining taxable income/ (loss)	(17,455,356,730)
Adjusted Accounting profit/ (loss) chargeable to income taxes	10,901,017,908
Interest Income	458,258,462
Assessable Income	11,359,276,370
Less: Qualifying Payments (Remitted to Treasury)	(5,000,000,000)
Total Taxable Income	6,359,276,370
Tax rate for the year	28%
Tax effect for the year	1,780,597,384
Tax Credits	
Income Tax Over Payment (Last Year)	1,077,641,864
Withholding Tax (WHT) Payment	14,244
Total Tax Credit	1,077,656,108
Payable Tax Amount	702,941,276

3.6 PROJECTS

3.6.1 COLOMBO LOTUS TOWER

Telecommunications Regulatory Commission of Sri Lanka (TRCSL) has started construction of 350 meters high multifunctional TV & Telecommunication Tower known as the “Colombo Lotus Tower, following the Cabinet decisions of 27th October 2010 and 14th December 2011 under reference numbers 10/2473/401/301 and 11/2262/501/026 respectively. The construction of the tower also was awarded to the China National Electronics Importers & Exporters Corporation (CEIEC) and Aerospace Long March International Trade Co. Ltd (ALIT) by the Cabinet.

Also, a mega leisure park as the 2nd phase is to be planned and commenced once the Colombo Lotus Tower project is completed.

The cost of the construction was estimated to US \$ 104.3 Million and 85% of which is financed by a 14 year loan from the Export – Import Bank of China (EXIM Bank) under the Buyers’ Credit loan Agreement No. BLA-201207 signed by TRCSL & EXIM Bank where the Secretary to the Ministry of Finance & Planning then, has sign as the Guarantor on behalf of the Government of Sri Lanka. The balance 15% of the project cost which is amounted to US \$ 15.645 Million was borne by the TRCSL.

The percentage completed of the project was approximately 95% as at 31.12.2020. The cumulative delay damages of US\$ 10,430,000 was provided against Interim payment certificates 20, 21 & 22 and treated as a current liability in the Statement of Financial Position as at 31.12.2020 as per Generally Accepted Accounting Principles and to be in line with prudent concept since the discussions and handing-over process is in progress.

Retention was released as per the condition of contract against an irrevocable, on-demand retention bank guarantee from HSBC, upon the recommendation and approval of Project Consultancy Unit (PCU) of University of Moratuwa and acknowledgement from Cabinet Appointed Negotiation Committee (CANC). Said bank guarantee was expired on 28.02.2021 and due to the USA sanction against CEIEC, now the process of obtaining a new guarantee from ALIT, as the other counterparty to the triparty contract is in progress, as per Attorney General’s opinion and concurrence on same.

The EXIM bank loan was expired at US\$ 67,259,754 and the cabinet approval by its decision dated 11.01.2018 under the reference No. 17/3004/701/059 was obtained to pay the balance contract amount of US\$ 21,395,247 from TRCSL funds.

The total borrowing cost and the related expenses will be fully capitalized at the completion of the project as per the Sri Lanka Accounting Standard 23, because the EXIM Bank Loan is 100% dedicated loan obtained for the construction of the Colombo Lotus Tower Project.

All the preliminary expenses which have been borne by TRCSL in relation to monetization of Lotus Tower (currently recorded as "CLT Monetization Receivable" under note no.09 – Loans and Other Receivables) will be recovered from loans which will be granted by TRCSL to the new company to be formed in future, as per an already approved Commission decision. In that case, all expenses incurred by TRCSL with regard to monetization of Lotus Tower will be recoverable and hence it is treated as a Receivable balance during the period under review.

3.6.2 LAND – LOTUS TOWER

The Land of the Lotus Tower Colombo on which the "Colombo Lotus Tower" is being constructed, contains in extent of 7 Acres 2 Roots & 8.41 Perches (3.0564 Hectares) which is to be transferred to the Telecommunications Regulatory Commission of Sri Lanka (TRCSL) as per the Cabinet decision reference No. 11/2262/501/026/TBR, dated 22nd December 2011 by the Urban Development Authority (UDA).

Having signed a Memorandum of Understanding (MOU) between TRCSL & UDA bearing the reference No. 5023 dated 23rd January 2012, it was agreed to make an initial payment of Rs.1, 500 million and Rs.300 million each for 34 years by TRCSL from the date of execution of the transfer agreement.

The vacant physical possession was handed over to the TRCSL by the letter of UDA, dated 18th July 2012 subject to the payment of utility bills and Assessment Rates to the relevant authorities from the date of handing over and same has been continuing by TRCSL.

TRCSL has already paid Rs. 2,250 million to UDA, but UDA failed to transfer the land to TRCSL as per the MOU. As such TRCSL suspended further payments. Negotiations are being carried out throughout previous years for the said land acquisition to TRCSL.

3.6.3 IT PARK HAMBANTHOTA SOORIYAWEWA

Telecommunications Regulatory Commission of Sri Lanka initiated action to establish a Telecommunication Media Center Project (Hambantota IT Park Project) as decided by the Cabinet of Ministers at its meeting held on 04th July 2012 based on the Cabinet Paper No 12/0836/501/019 dated 14th June 2012.

Sri Lanka Land Reclamation & Development Corporation (SLLRDC) was appointed as the Engineer to the Project, the construction contract was awarded to M/s Tudawe Brothers (Pvt) Limited, for a construction cost of Rs 2,493,870,318.00 after adhering to the approved tender procedure.

The contractor had completed the superstructure of the building up to the 3rd floor by June 2015 as scheduled. However, TRCSL, BOI and the Presidential Secretariat observed that the other development projects planned in the area have not been commenced and stressed the need to restructure the project.

The percentage completed of the project was 33% which includes the total work done including material at site was Rs.423.9 million. Retention withheld, and recovery of mobilization advance were Rs.46 million & Rs.157 million respectively as at 31-12-2018.

Whilst SLLRDC as the engineering Consultant to this project was attending to the restructuring of the project, the contract between TRCSL and M/s Tudawe Brothers (Pvt) Ltd expired on 10th August 2016. Consequently, TRCSL had terminated contract with the M/s Tudawe Brother (Pvt) Ltd on the recommendation of SLLRDC being the Engineer to the Project. Total cost incurred so far for the project is approximately Rs 715 million (Which includes 157 million unrecovered advance) and Contractor, namely M/s Tudawe Brothers (Pvt) Limited submitted referral to the Dispute Adjudication Board against the TRCSL's decision to terminate the Contract.

Having considered the Dispute Adjudication Board (DAB) decision, some cost elements and Retention amount of Rs. 46 million were agreed to set off against the mobilization advance of RS. 157 million. The balance amount of Rs. 50 million was covered by a bank guarantee of Rs. 50 million as per the advice of the Engineer to the project - Sri Lanka Reclamation & Development Corporation and the matter was referred to the Arbitral Tribunal. Refer Note No. 3.7 (c). Sooriyawewa land cost shall be capitalized when value of the land is assessed by the Government valuer.

3.7 CONTINGENCIES

(a) DC/DMR/6188/2010

Mr. Gamini Rajapakse, proprietor of Gewaan Engineering filed a case in the District Court of Colombo bearing No. 6188/2010 citing Telecommunications Regulatory Commission of Sri Lanka as the Defendant.

The Plaintiff has filed this case to recover damages from TRC for breach of the agreement entered between the Plaintiff and Defendant on 19th July 2007. Under the reliefs sought, the Plaintiff was seeking Rs.1.5 million in damages.

The Judgment was delivered on 30.04.2019 in favour of the Plaintiff. As per the Judgment Rs. 71,443.31 and legal cost were awarded to the Plaintiff and decree to be filed by the Plaintiff.

(b) HC Civil No. 137/2011

The case bearing No. HC (Civil) No. 137/11 was filed by Electrotecks Limited against TRC for Judgement /decree for a sum of Rupees 47,345,112,000 with legal interest up to the date of decree and aggregate amount of the decree till payment in full. A claim in reconvention has been made by the defendant for non- payment of the frequency license fees of Rs. 172,500,000 and Rs. 2,300,000 with legal interest from plaintiff. This case is still held for further trial.

(c) IT Park – Hambantota (Ref. SLNAC/33-10-2018)

Tudawe Brothers (Pvt) Limited (Claimant) has filed this action to recover damages for sum of Rs. 736,276,907.47 from TRCSL (Respondent) for breach of the agreement entered between the Claimant and Respondent to construct a building for TRCSL at Sooriyawewa, Hambantota on 29th July 2013. This matter is pending before the Arbitration Tribunal. Attorney General's Department is appearing on behalf of TRCSL. This case is still held for further hearing.

(d) DC/DMR/3277/17

The plaintiff has filed the case to recover damages for TRCSL's act for disruption of service and damage to Transmission Station which covered the entire Jaffna Peninsula and nearby Islands, for which the plaintiff is seeking Rs.14,800,000,000 as damages. This case is still held for further trial.

TELECOMMUNICATIONS REGULATORY COMMISSION OF SRI LANKA
 NOTES TO THE FINANCIAL STATEMENTS - 31.12.2020 (Contd...)
 (Expressed in Sri Lankan Rupees)

4. PROPERTY, PLANT & EQUIPMENT

COST	BALANCE AS AT 01.01.2020	For the Year 2020		BALANCE AS AT 31.12.2020
		ADDITIONS	DISPOSALS/ TRANSFERS	
Lands	148,863,771	0	0	148,863,771
Lease Hold Lands	345,502	0	0	345,502
Buildings	150,381,065	0	0	150,381,065
Kokavil Tower	314,933,479	0	0	314,933,479
Vauniya Tower	29,900,741	0	0	29,900,741
Vehicles	168,717,224	0	0	168,717,224
Air conditioners	17,137,804	604,341	0	17,742,145
Elevators	4,683,848	0	0	4,683,848
Generators	2,665,428	0	0	2,665,428
Computers	112,778,720	2,554,980	20,500	115,313,200
Web Server	34,095,551	0	0	34,095,551
Other Office Equipment	46,375,141	374,220	8,600	46,740,761
Mobile Phones	1,264,049	159,960	0	1,424,009
Office Furniture	25,137,571	1,322,462	10,500	26,449,533
Technical Equipment	73,705,569	0	0	73,705,569
FMMS Project Surveillance Vehicles	61,712,127	0	0	61,712,127
FMMS Project Equipment	408,303,544	0	0	408,303,544
Gymnasium Equipment	5,629,707	0	0	5,629,707
Video Unit Equipment	12,865,066	0	0	12,865,066
	1,619,495,906	5,015,962	39,600	1,624,472,268
Land Lotus Tower	11,715,212,127	0	0	11,715,212,127
	13,334,708,033	5,015,962	39,600	13,339,684,395

DEPRECIATION	BALANCE AS AT 01.01.2020	For the Year 2020		BALANCE AS AT 31.12.2020
		ADDITIONS	DISPOSALS/ TRANSFERS	
Buildings	129,297,691	3,659,569	0	132,957,260
Kokavil Tower	276,030,822	30,808,833	0	306,839,654
Vauniya Tower	26,910,667	2,990,074	0	29,900,741
Vehicles	146,481,556	16,242,757	0	162,724,312
Air Conditioners	12,880,703	850,274	0	13,730,977
Elevators	4,683,848	0	0	4,683,848
Generators	2,665,428	0	0	2,665,428
Computers	100,499,287	3,563,046	20,500	104,041,833
Web Server	7,441,172	7,970,472	0	15,411,645
Other Office Equipment	27,918,507	2,900,403	8,600	30,810,310
Mobile Phones	876,517	76,899	0	953,416
Office Furniture	17,911,697	1,520,501	10,500	19,421,698
Technical Equipment	39,373,931	5,812,020	0	45,185,951
FMMS Project Surveillance Vehicles	33,664,514	7,164,016	0	40,828,530
FMMS Project Equipment	347,906,076	10,760,214	0	358,666,290
Gymnasium Equipments	5,629,707	0	0	5,629,707
Video Unit Equipment	12,355,043	332,538	0	12,687,581
	1,192,527,165	94,651,616	39,600	1,287,139,181
NET BOOK VALUE	12,142,180,867			12,052,545,214

TELECOMMUNICATIONS REGULATORY COMMISSION OF SRI LANKA
 NOTES TO THE FINANCIAL STATEMENTS - 31.12.2020 (Contd...)
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Notes:

Value of Land of Rs. 148,235,572 includes Rs. 45,000,000 for the Land situated in Kadirana, Negombo. Extent of the Land is 112 Acres Rood 01 and P 10.5. Approximately a 69% of the extent of the land has been acquired by the Divisional Secretary of Katana, but the effect of the change of the value due to the acquisition has not been incorporated in accounts in this financial year too.

Even though, the Valuation Department has made a valuation dated 02.04.2019 under the letter bearing No. GM/LM/5549, the land extent of 35 Acres 02 Roods & 30 Perches which is the present extent under the possession of TRCSL from above land slot, was valued for Rs. 359,375,000, It is not reflected in Financial Position as at 31.12.2020 since the requirement of LKAS 16 to revalue entire class of assets of TRCSL is still not satisfied.

All the lands and buildings will be measured and reported at its revalued amounts once the relevant approvals will be received for the draft revaluation policy of TRCSL. (Ref. Note 3.2.1 (a)).

4.1. INTANGIBLE ASSETS

COST	BALANCE AS AT 01.01.2020	For the Year 2020		BALANCE AS AT 31.12.2020
		ADDITIONS	DISPOSALS/ TRANSFERS	
Computer Software	21,455,861	0	0	21,455,861
	21,455,861	0	0	21,455,861

AMORTIZATION	BALANCE AS AT 01.01.2020	For the Year 2020		BALANCE AS AT 31.12.2020
		ADDITIONS	DISPOSALS/ TRANSFERS	
Computer Software	21,455,860	0	0	21,455,860
	21,455,860	0	0	21,455,860

NET BOOK VALUE	1	1
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5. WORK IN PROGRESS

	BALANCE AS AT 01.01.2020	For the Year 2020		BALANCE AS AT 31.12.2020
		ADDITIONS	(TRANSFERS)	
Main H/O Building	10,057,910	0	0	10,057,910
Construction of Lotus Tower	20,875,389,474	469,392,094	0	21,344,781,569
IT Park - Hambantota	684,015,309	0	0	684,015,309
Construction of TRC H/O - New Building	80,156,376	29,630,056	0	109,786,433
Construction of Kadirana	47,366,941	30,938,835	0	78,305,776
Frequency Monitoring - Network	249,900	0	0	249,900
Work In Progress	21,887,232	22,610,458	2,678,815	47,176,505
	21,719,123,143	552,571,443	2,678,815	22,274,373,401

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 NOTES TO THE FINANCIAL STATEMENTS - 31.12.2020 (Contd...)
 (Expressed in Sri Lankan Rupees)

	Year Ended 31.12.2020	Year Ended 31.12.2019
6. INVESTMENTS		
Treasury Deposits	0	354,000,000
Fixed Deposit	1,500,000,000	0
	1,500,000,000	354,000,000
7. ACCOUNTS RECEIVABLE		
CESS Receivable	447,225,777	429,991,796
TDC Receivable	625,552,710	782,030,936
Telecom Levy Receivable	695,912,884	772,310,122
Kokavil Tower Recoverable	93,087,067	81,776,444
Tower Levy Receivable	332,895,834	339,276,667
SMS Levy Receivable	46,957,637	57,540,518
Outstanding Staff Loans Recoverable	2,403,352	2,461,716
Kokavil Lease Rental Receivable	2,093,951	2,138,310
Air Ticket Receivable	70,400	148,200
Trade Debtors	07 A (0)	96,811
	2,246,199,611	2,467,771,521
7 A. Trade Debtors		
Radio Frequency Fees	373,476,732	373,775,691
Armature Radio License Fees	32,790	32,790
	373,509,522	373,808,482
Less - Provision for Bad Debtors **	(373,509,522)	(373,711,670)
	(0)	96,811

Note: (1)	Debtors		Provisions
Provision for Bad Debtors			
More Than 02 Years	373,509,522	100%	373,700,914
More Than 01 Year Less Than 02 Years	0	10%	10,757
More Than 6 Months & Less Than 01 Year	0	0%	0
More Than 2 Months & Less Than 6 Months	0	0%	0
More Than 01 Month & Less Than 2 months	0	0%	0
Less Than 01 Month	0	0%	0
	373,509,522		373,711,670

Note: (2)
 Trade debtors are stated at fair value after providing 100% & 10% provision for bad and doubtful debts over one year and above respectively.

8. PREPAYMENT AND ADVANCE		
Special Advances	575	575
Festival Advances	0	158,000
Purchase Advances	121,090	77,140
Pre-payments	36,750,930	43,487,917
Mobilization Advance Payment - (LOTUS TOWER)	0	0
Mobilization Advance Payment - (IT PARK)	157,081,430	157,081,430
Mobilization Advance (H/O New)	18,882,717	13,387,576
Mobilization Advance (Kadirana)	5,522,503	11,312,256
	218,359,245	225,504,893

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 (Expressed in Sri Lankan Rupees)

	Year Ended 31.12.2020	Year Ended 31.12.2019
9. LOANS AND OTHER RECEIVABLES		
Distress Loans	32,306,602	35,629,277
Motor Vehicle Loans	184,730,657	193,991,532
Property Loans	1,135,746	1,362,749
Motorcycle Loans	1,174,995	1,138,315
Salary Deduction Recoverable	439,987	506,643
Other Receivables	2,030,000	2,210,000
Election Duty Payment	0	398,738
CEB Security Guarantee Deposit A/C (IT Park)	125,000	125,000
Commissioner General of Inland Revenue (WHT)	14,244	0
Commissioner General of Inland Revenue (Income Tax Over Provision)	2,036,193,356	2,713,380,890
Claimable Economic Service Charges	0	25,711,011
Lotus Tower Electricity Security Deposit	3,125,000	3,125,000
CLT Monetization Receivable	13,067,971	0
	2,274,343,557	2,977,579,154
10. CASH & CASH EQUIVALENTS		
Cash At Bank	10 A 304,660,593	246,410,798
Cash In Hand	10 B 35,000	35,000
People's Bank - Narahenpita Branch, Money Market Saving Account - (No.119-2-001-2-3693169)	7,680,372,174	3,378,527,783
	7,985,067,767	3,624,973,581
10 A. CASH AT BANK		
People's Bank - Narahenpita Branch, (Deposit Account)		
A/c No.119402113960300 (RFC USD 0032)	114,424,972	106,926,792
People's Bank - Narahenpita Branch, (Collection Account)		
Current A/c No.119-1-001-4-3693169	116,459,368	138,726,159
People's Bank - Narahenpita Branch, (ITO Levy)		
Current A/c No. 119-1-001-3-3693264	369,582	258,338
Bank of Ceylon - Narahenpita Branch		
Current A/c No.2323167	73,406,670	499,509
	304,660,593	246,410,798
10 B. CASH IN HAND		
Petty Cash - Head Office	10,000	10,000
Petty Cash - Admin & HR Division	5,000	5,000
Petty Cash - DG Office	15,000	15,000
Petty Cash - Compliance	5,000	5,000
	35,000	35,000
11. GOVERNMENT CONTRIBUTIONS		
World Bank Credit Agreement	298,572,434	298,572,434
United Nations Development Program	19,533,906	19,533,906
Capital Contributed by the Treasury	208,108,404	208,108,404
	526,214,744	526,214,744

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 (Expressed in Sri Lankan Rupees)

	Year Ended 31.12.2020	Year Ended 31.12.2019
12. RETENTION		
Retention - IT Park	46,152,801	46,152,801
Retention H/O New Building	9,602,111	0
Retention Kadirana	6,994,114	0
	62,749,026	46,152,801
13. RETIREMENT BENEFIT OBLIGATION		
Provision for Gratuity	94,824,253	80,831,913
Fixed Deposit (Gratuity)	(63,400,000)	(52,150,000)
Interest Receivable on Fixed Deposit for Gratuity Benefits	(11,170,526)	(5,925,454)
Net Benefit Liability	20,253,726	22,756,459
14. ACCOUNTS PAYABLE		
ACCRUED EXPENSES		
Telephone - Office	1,291,516	717,013
Salaries Control	1,960,910	99,183
Salaries Payable	207,884	185,884
W & O.P. Payable	0	99,981
Electricity	742,072	933,903
Water	52,623	28,560
Janitorial Services	1,137,545	662,593
Security Services	5,347,770	3,428,717
Overtime	797,688	1,027,507
E.P.F	4,113,678	3,719,311
E.T.F	493,640	446,316
Internet	1,334,800	335,143
Medical Insurance Claims	250,995	250,995
Travelling & Subsistence Payable	0	2,400
Staff Welfare	303,552	88,490
News Papers & Notifications	61,125	447,988
Audit Fees	4,000,000	2,518,460
Bonus	46,482,135	39,079,628
Retention - General	603,380	363,965
Commissioner General of Inland Revenue (ESC & NBT)	0	29,915,560
Salary Deductions	132,139	134,101
Repairs & Maintenance	9,751,675	17,987,507
Stamp Duty Payable	908,574	1,027,622
PAYE Payable	56,537	56,537
APIT Payable	500,245	0
Consultancy Payable	1,915,480	0
Misc. Purchase & Supplies Payable	29,626,398	9,140,515
Over Recoveries of Staff Loan	12,657	12,657
Fuel Payable	149,031	112,224
Printing & Stationery Payable	274,043	1,111,771
Annual Subscription Payable	878,920	877,920
Miscellaneous Payable	2,206,886	365,000
Unclaimed Employment Emolument	0	2,146,762
Filling & Depend Court	342,250	25,500
Miscellaneous Creditors	17,813,741	21,366,057
	133,749,889	138,715,771

TELECOMMUNICATIONS REGULATORY COMMISSION OF SRI LANKA
 NOTES TO THE FINANCIAL STATEMENTS - 31.12.2020 (Contd...)
 (Expressed in Sri Lankan Rupees)

	Year Ended 31.12.2020	Year Ended 31.12.2019
15. ADVANCES, DEPOSITS AND OTHER PAYABLES		
Revenue Received in Advance	1,997,479,727	2,601,814,402
Refundable Deposits for Tender	1,566,167	1,566,167
Refundable Deposits - Employees	2,086,843	2,086,843
Advances Received for 1800 MHz Band	57,500,000	57,500,000
ICT for Effective Disaster Management Summit	34,210	34,210
Over recovery of Frequency Licence Fee	2,177,058	2,158,081
C.T.O Telecenter Project	924,492	924,492
VAT Control Account	85,252,186	18,649,359
Construction Creditors	751,650	751,650
Unaccepted Vendor - Refund	73,750	0
Project Loan - Exim Bank (Lotus Tower)	1,610,276,227	1,610,276,227
	3,758,122,308	4,295,761,430
16. PAYABLE TO TREASURY		
50% TDC Payable to Treasury	312,776,354	391,015,467
Telecom Levy Payable to Treasury	693,268,690	772,310,124
SMS Levy Payable to Treasury	46,957,637	57,540,518
Cellular Tower Levy Payable to Treasury	332,895,834	339,276,667
	1,385,898,515	1,560,142,776
17. INCOME		
Income - License Fee	17 A 12,036,758,914	16,175,312,122
Telecommunications Levy	10,826,164,612	15,065,669,041
Telecom Development Charges	17 B 4,292,953,440	5,337,850,939
Levy on Out Going Local Access Charges	0	192,765,504
Mobile Short Messages Services Levy	418,650,656	419,083,887
Cellular Tower Levy	1,426,333,334	1,384,526,669
	29,000,860,956	38,575,208,162
17 A. INCOME - LICENSE FEES		
System Operator License Fee	5,402,000	168,367,347
Cess Fee	4,674,874,590	4,713,114,906
Radio Frequency Fee	6,724,408,085	7,048,993,937
Frequency Upfront Fee	0	4,032,142,857
Vendor License Fee	14,392,857	13,726,325
Amateur Radio License Fee	87,692	85,364
Cordless Phone Dealer Charges	94,408,439	116,388,349
Examination Fee	202,921	312,140
Type Approval Fee	101,852	0
Application Processing Fee	400,000	1,016,327
Short Code Charges	34,250,000	31,887,730
Sundry Income - 17 A (1)	488,995,119	369,991,603
	12,037,523,556	16,496,026,883
Less: Nations Building Tax	(764,642)	(320,714,761)
	12,036,758,914	16,175,312,122

TELECOMMUNICATIONS REGULATORY COMMISSION OF SRI LANKA
 NOTES TO THE FINANCIAL STATEMENTS - 31.12.2020 (Contd...)
 (Expressed in Sri Lankan Rupees)

	Year Ended 31.12.2020	Year Ended 31.12.2019
17 A (1). SUNDRY INCOME		
Interest Income from Staff Loans	9,508,272	9,438,934
Interest Income from Fixed Deposits	229,905,799	32,741,587
Interest Income from Money Market Transactions	218,844,390	310,471,287
Kokavil Lease Rental	7,267,229	16,700,091
Madukanda Lease Rental	22,097,446	0
Other Income - Miscellaneous	1,130,235	406,009
Fixed Assets Disposal	39,600	225,836
Recovery of Bad Debts	202,148	7,859
	488,995,119	369,991,603
17 B. TELECOMMUNICATION DEVELOPMENT CHARGES (TDC)		
TDC Revenue	4,292,953,440	5,337,850,939
	4,292,953,440	5,337,850,939
18. REGULATORY EXPENSES		
ITU Annual Subscription	31,369,540	28,697,136
APT Annual Subscription	2,931,154	2,753,480
SAFIR Annual Subscription	0	877,920
Library Annual Subscription	181,540	81,042
CTO Annual Subscription	5,894,134	5,566,525
Participating in Regulatory Affairs Work	46,454	17,891,406
Conduct Research Studies	1,480,000	20,000
Filing & Depending Court Actions	8,515,248	3,538,600
Lotus Tower Project	0	14,153,285
Traveling & Subsistence for Regulatory Affairs	141,323	1,198,978
Project of Gamata Sannivedanaya	251,590	95,410
Local Training Programme - ITU/APT	305,266	3,452,612
Miscellaneous Regulatory Expenses	51,036	48,021
Conducting Amature Radio Examination	503,505	49,750
Frequency Licence PYT	0	189,880
Annual Forum of C.T.O.	0	249,500
ITU World Tele inf Society	0	18,080
Contribution to APT-SATRC	2,801,100	0
Student Awareness Program	307,167	0
	54,779,057	78,881,625

TELECOMMUNICATIONS REGULATORY COMMISSION OF SRI LANKA
 NOTES TO THE FINANCIAL STATEMENTS - 31.12.2020 (Contd...)
 (Expressed in Sri Lankan Rupees)

	Year Ended 31.12.2020	Year Ended 31.12.2019
19. ADMINISTRATION & ESTABLISHMENT EXPENSES		
Salaries	192,300,524	185,045,114
E.P.F. (15% Contribution)	27,606,344	26,246,905
E.T.F. (3% Contribution)	5,521,269	5,249,381
Transport Allowance	22,247,722	21,084,665
House Rent Allowance	17,865,282	16,080,690
Other Allowances	5,481,731	6,340,833
Performance Incentive	44,901,610	39,840,973
Special Allowance	340,979	367,785
Additional Allowance	0	358,689
Bonus	64,302,534	59,735,832
Overtime	7,767,971	16,360,234
Chairman's Remuneration	903,333	1,106,667
Unutilized Vacation Leave Allowance	14,854,604	10,830,714
Commission's Contribution for Pension	1,191,254	1,254,606
Communication Allowance	2,732,716	2,566,493
Uniforms	685,527	752,428
Staff Welfare	4,225,241	4,629,803
Staff Professional Membership Subscription	616,100	595,016
Local Training	48,706	1,102,863
Commission Members Allowance	295,000	113,500
Audit Committee Allowances	197,500	171,750
Housing Loan 2/3 Interest Reimbursement	3,521,759	4,942,774
Gratuity	3,961,342	3,683,105
Electricity	10,005,235	12,894,921
Water	428,314	526,342
Janitorial Services	6,994,990	6,409,796
Security	17,158,628	13,657,530
Rates & Taxes	901,649	885,207
Library Books	21,631	109,979
Printing and Stationery	5,872,429	14,139,701
Fuel	2,430,937	3,756,142
Postage	603,470	797,618
Telephone, Fax and PABX	3,002,042	4,687,070
Insurance (Property & Medical)	55,256,869	16,334,036
Internet Charges	6,790,646	6,684,363
Newspapers & Notifications	3,576,905	2,761,495
Consultancy Fees	500,000	356,003
Seminars & Conferences	454,576	376,283
Professional Allowance	9,927,473	6,525,690

TELECOMMUNICATIONS REGULATORY COMMISSION OF SRI LANKA
 NOTES TO THE FINANCIAL STATEMENTS - 31.12.2020 (Contd...)
 (Expressed in Sri Lankan Rupees)

	Year Ended 31.12.2020	Year Ended 31.12.2019
Audit Fee	1,481,540	2,500,000
Legal Expenses/Deciplinary Inquiries/Preliminary Investigation	198,900	574,296
Depreciation	94,651,616	96,131,988
Amortization	0	2,277,255
Administration Miscellaneous	2,868,218	3,484,240
Purchases & Supplies Miscellaneous	1,346,192	1,996,474
Operating Cost Miscellaneous	406,117	658,840
Office Equipment Maintenance	3,500,291	18,260,969
Vehicle Maintenance	5,025,095	5,839,317
Building & Structure Maintenance	587,971	3,638,485
Technical Equipment Maintenance	1,869,371	10,979,766
Software Maintenance & Development	21,018,295	24,554,235
Towers Maintenance	106,064	20,667
Generators Repairs & Maintenance	90,190	123,729
Repairs & Maintenance - Miscellaneous	1,574,463	17,143
Elevators Maintenance	654,300	0
CCTV Maintenance	7,500	3,170
Rent for Leased Premises	0	648,000
Development of Sports Activities	(1,384,417)	3,063,696
Maintenance of Monitoring Station	(461,605)	7,896,225
	679,034,945	682,031,488
20. FINANCE & OTHER EXPENSES		
Bank Charges	252,474	299,727
Interest on Gratuity Provision	5,071,456	4,171,706
	5,323,930	4,471,433
21. CONTRIBUTION TO THE CONSOLIDATED FUND		
Contribution under Telecommunication Act For the Year Ended 31.12.2020	4,000,000,000	7,950,000,000
Contribution under Finance Act for the Year Ended 31.12.2020		
Telecommunication Levy Paid	10,826,164,679	15,065,669,041
50% Telecommunication Development Charges	2,146,476,720	2,668,925,470
Levy on OLAC Paid	0	192,765,504
SMS Levy Paid to Treasury	418,650,655	419,083,887
Cellular Tower Levy Paid to Treasury	1,426,333,334	1,384,526,669
	18,817,625,389	27,680,970,570
CONTRIBUTION UNDER TELECOMMUNICATION ACT		
Out of total comprehensive income for the year ended 31.12.2019	1,000,000,000	1,000,000,000

TELECOMMUNICATIONS REGULATORY COMMISSION OF SRI LANKA
 NOTES TO THE FINANCIAL STATEMENTS - 31.12.2020 (Contd...)
 (Expressed in Sri Lankan Rupees)

	Year Ended 31.12.2020	Year Ended 31.12.2019
22. CASH GENERATED FROM OPERATIONS		
Net profit before tax	27,325,109,486	37,883,540,711
Adjustments for		
Depreciation on Property, Plant and Equipment	94,651,616	96,131,988
Amortization of Intangible Assets	0	2,277,255
Recovery of Bad Debts	202,148	(7,859)
Retirement Benefit Obligation	3,961,342	3,683,105
Interest Income from Fixed Deposit	(229,905,799)	(32,741,587)
Interest Income from Money Market Transactions	(218,844,390)	(310,471,287)
Interest Cost on Retirement Benefit Obligation	5,071,456	4,171,706
(Gain) / Loss on Foreign Currency Transactions	228,472,409	(73,717,095)
Gain on Disposal of Fixed Assets	(39,600)	(225,836)
Changes in Working Capital		
Accounts Receivable	22-1 221,774,058	1,346,072,763
Prepayment and Advance	22-2 6,851,037	(40,851,154)
Loans and Other Receivables	22-3 703,235,597	(1,286,345)
Interest Receivable In FD - Gratuity	(5,245,072)	(1,537,022)
Accounts Payable	22-4 (4,965,882)	23,198,978
Advances, Deposits and Other Payables	(537,639,121)	(926,796,097)
Payable To Treasury	(174,244,262)	62,978,927
Cash Generated from Operations	27,418,445,022	38,034,421,151
22-1. Accounts Receivable		
CESS Receivable	447,225,777	429,991,796
TDC Receivable	625,552,710	782,030,936
Telecom Levy Receivable	695,912,884	772,310,122
Kokavil Tower Recoverable	93,087,067	81,776,444
Tower Levy Receivable	332,895,834	339,276,667
SMS Levy Receivable	46,957,637	57,540,518
Outstanding Staff Loans Recoverable	2,403,352	2,461,716
Kokavil Lease Rental Receivable	2,093,951	2,138,310
Air Ticket Receivable	70,400	148,200
Radio Frequency Fees	373,476,732	373,775,691
Armature Radio License Fees	32,790	32,790
	2,619,709,133	2,841,483,191
	221,774,058	
22-2. Prepayment and Advance		
Special Advances	575	575
Festival Advances	0	158,000
Purchase Advances	121,090	77,140
Pre-Payments	36,750,930	43,487,917
	36,872,595	43,723,632
	6,851,037	

TELECOMMUNICATIONS REGULATORY COMMISSION OF SRI LANKA
 NOTES TO THE FINANCIAL STATEMENTS - 31.12.2020 (Contd...)
 (Expressed in Sri Lankan Rupees)

	Year Ended 31.12.2020	Year Ended 31.12.2019
22-3. Loans and Other Receivables		
Distress Loans	32,306,602	35,629,277
Motor Vehicle Loans	184,730,657	193,991,532
Property Loans	1,135,746	1,362,749
Motorcycle Loans	1,174,995	1,138,315
Salary Deduction Recoverable	439,987	506,643
Other Receivables	2,030,000	2,210,000
Election Duty Payment	0	398,738
CEB Security Gurantee Deposit A/C (IT Park)	125,000	125,000
Commissioner General of Inland Revenue (WHT)	14,244	0
Commissioner General of Inland Revenue (Income Tax Over Provision)	2,036,193,356	2,713,380,890
Claimable Economic Service Charges	0	25,711,011
Lotus Tower Electricity Security Deposit	3,125,000	3,125,000
CLT Monetization Receivable	13,067,971	0
	2,274,343,557	2,977,579,154
	703,235,597	
22-4. Accounts Payable		
As per Statement of Financial Position	133,749,889	138,715,771
	133,749,889	138,715,771
	(4,965,882)	
23. Mobilization Advance Payments		
Mobilization Advance Payment - (LOTUS TOWER)	0	0
Mobilization Advance Payment - (IT PARK)	157,081,430	157,081,430
Mobilization Advance (H/O New)	18,882,717	13,387,576
Mobilization Advance (Kadirana)	5,522,503	11,312,256
	181,486,650	181,781,262
	294,612	



AUDITOR GENERAL'S REPORT FOR THE YEAR 2020



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தேசிய கணக்காய்வு அலுவலகம்
NATIONAL AUDIT OFFICE



මගේ අංකය
எனது இல. }
My No. }

CMU/A/TRC/01/20/17

ඔබේ අංකය
உமது இல. }
Your No. }

දිනය
திகதி }
Date }

06th September 2021

The Chairman,
Telecommunications Regulatory Commission of Sri Lanka

Report of the Auditor General on the Financial Statements and other Legal and Regulatory Requirements of the Telecommunications Regulatory Commission of Sri Lanka for the year ended 31 December 2020 in terms of section 12 of the National Audit Act No.19 of 2018

1.1 Qualified Opinion

The audit of the financial statements of the Telecommunications Regulatory Commission of Sri Lanka for the year ended 31 December 2020 comprising the statement of financial position as at 31 December 2020 and the profit and loss statement, statement of other comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, was carried out under my direction in pursuance of provisions in Article 154 (1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No 19 of 2018 and the Financial Act No. 38 of 1971. My report to Parliament in pursuance of provisions in Article 154(6) of the Constitution will be tabled in due course.

In my opinion, except for the effects of the matters described in the basis for qualified opinion section of my report, the accompanying financial statements give a true and fair view of financial position of the Commission as at 31st December 2020, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

1.2 Basis for Qualified Opinion

- (i) The value added tax liability as at 31st December of the year under review had been understated by Rs.43,145,810 in the financial statements.
- (ii) The amount of Rs. 22,097,446 received from the five operators who use the Madukanda Communication Tower for the year 2011 to 2019 without entering into agreements had been taken in to account as income for the year under review and their receivable amount of Rs. 2,678,603 had not been taken into the accounts as the receivable income.
- (iii) The amount of Rs. 7,089,343 received from a private company in the year 2021 for the facilities obtained from the Madukanda Communication Tower from February 2012 to December 2020 had not been taken into the account as accrued income.

- (iv) The value of the land on which the Hambantota Telecommunication Media Center is located with a title deed had not been stated in the financial statements. Further although, a Pradeshiya Sabha had acquired approximately 69 percent of the 112-acre, 01 Rood and 10.5 perch land valued at Rs. 45,000,000, its relevant adjustments had not been made in the financial statements.
- (v) Even though the cost of Rs, 13,339,684,395 applicable to the property, plant and equipment of the Commission had been stated in the financial statements, its fair value had not been calculated and stated in the financial statements according to the Sri Lanka Accounting Standard 16.
- (vi) Despite being further in use, the fully depreciated fixed assets costing Rs. 12,978,983 had not been revalued in terms of paragraph 51 of Sri Lanka Accounting Standard 16 and stated in the financial statements.
- (vii) The updated fixed asset register or any other incidental written evidence had not been submitted to confirm the ownership of the lands worth Rs.103,863,771 included in the financial statements.
- (viii) Even though letters had been sent to confirm the debtors balance amounting to Rs4,125,687 of the seven debtors , its balance confirming letters had not been received from any of the debtors even by the month of July 2021 and the same balance could not be verified by any other audit procedure.
- (ix) According to the financial statements, even though there were debt balances of Rs. 161,033,612 to be recovered from the four state institutions, only one of the institutions had overstated the same balance as Rs.4,435,922 in their financial statements and it was observed that no debtors balance in other institutions.

I conducted my audit in accordance with Sri Lanka Auditing Standards. My responsibilities, under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Statements section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

1.3 Other particulars included in the Commission's Annual Report 2020

The other particulars mean the details included in the Commission's Annual Report 2020, which I obtained prior to the date of this Audit Report, but not included in the financial statements and in my audit report. The management shall be responsible for these other particulars.

I do not cover any other particulars in my opinion applicable to the financial statements and express any type of assurance or opinion regarding them.

In relation to my audit of financial statements, my responsibility is to read the other particulars identified above whenever they are available and to consider whether other particulars are quantitatively inconsistent with my knowledge obtained by the financial statements or during the audit or otherwise.

If I conclude that these other particulars are quantitatively incorrect, based on the other particulars I received prior to the date of this audit report and the work I have done, I will require to report the same fact. I do not have any issues to report in this regard.

1.4 Responsibilities of Management and Those charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give true and fair view in accordance with Sri Lanka Accounting Standards and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Commission's ability to continue as going concern and using the going concern basis of accounting unless management either intends to liquidate the Commission or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Commission's financial reporting process.

As per sub section 16(1) of the national Audit Act No 19 of 2018, the Commission is required to maintain proper books and records of all its income, expenditure, assets, and liabilities to enable annual and periodic financial statements to be prepared of the Commission.

1.5 Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these financial statements.

As a part of an audit in accordance with Sri Lanka Auditing Standards ,I exercise professional judgement and maintain professional skepticism throughout the audit. I also,

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If I conclude that a material uncertainty exists. I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. However, future events or conditions may cause the instate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

2. Report on other legal and regulatory requirements

2.1 The National Audit Act No. 19 of 2018 contains special provisions regarding the following requirements.

2.1.1 In accordance with the requirements of Section 12 (a) of the National Audit Act No. 19 of 2018, I obtained all the information and clarification required for the audit from my investigation, except for the effect of the facts described in the base section for the qualitative opinion in my report Apparently the Commission had maintained proper financial records.

2.1.2 The financial statements of the Commission correspond with the previous year as per the requirement mentioned in Section 6 (1) (d) (iii) of the National Audit Act No. 19 of 2018.

2.1.3 As per the requirement mentioned in Section 6 (i) (d) (iv) of the National Audit Act No. 19 of 2018, the financial statements made in this report contain recommendations other than the observations 1.2 (i), (v) and (vi).

2.2 Based on the procedures performed and evidence obtained were limited to matters that are material, noting has come to my attention.

2.2.1 To state that any member of the governing body of the Commission has any direct or indirect interest in any contract entered into by the Commission which are out of the normal cause of business as per the requirement of section 12 (d) of the National Audit Act No. 19 of 2018.

2.2.2 To state that the Commission has not complied with any applicable written law, general and special directions issued by the governing body of the Commission as per the requirement of section 12 (f) of the National Audit Act No. 19 of 2018, except for the following observation.

	Reference to Laws, Rules / Regulations	Observations
(a)	Section 11 of the Finance Act No 38 of 1971 and Section 8.2.2. of Public Enterprises Circular No. PED/12 OF 02 June 2003	It had not been taken approval for the amount of Rs. 1500 million invested in fixed deposit by the Commission as at 31 December 2020.
(b)	Public Enterprise Circular No PED/12 dated 02 June 2003	
	(i) Section 9.3	Even though appointments should have been made to an acting post for a period not exceeding 03 months, 08 acting appointments had been made contrary to it.

- (ii) Section 9.12 Even though the approval of the department of the Public Enterprise and the General Treasury requires for the operational medical insurance scheme of the Commission, such approval had not been obtained. The amount of Rs. 55,256,869 had been paid to the insurance company as insurance premium for the year under review and the insurance company had reimbursed Rs. 26,176,701 to the Commission officials.
- (iii) Section 9.14.2 The Department of Public Enterprises had not obtained the consent of the Secretary to the Treasury for the recruitment procedure and had only approved and acted accordingly by the Commission.
- (c) Letters from the National Salaries and Carders No. NSCC/3/ABC/24 dated 01 June 2007 Due to making overpayment at Rs. 6,000 in excess of the approved monthly transport allowance of Rs. 2,000 for non- staff grade officers, a sum of Rs. 8,764,000 had been overpaid during the year under review.
- (d) Paragraph 1 of the Management Services Circular No.39 dated 26 May 2009 Without the recommendation of the Salaries and Carders Commission and the approval of the Department of Management Services, a sum of Rs. 77,621,496 had been paid to the staff as incentives, bonuses, rental allowances, and allowances for un availed leave during the year under review.

2.2.3 To state that the Commission has not performed according to its powers, functions, and duties as per the requirement of section 12 (g) of the National Audit Act, No 19 of 2018.

2.2.4 To state that the resources of the Commission had not been procured and utilized economically, efficiently and effectively within time frames and in compliance with the applicable laws as per the requirement of the section 12 (h) of the National Audit Act No.19 of 2018 , except for the following observation.

- (a) 06 Procurement activities included in the Procurement Plan valued at Rs. 1,266,700,000 had not been carried out during the year under review due to non-availability and suspension by the Director General and due to not properly identified the needs to prepare procurement plan, the opportunity to allocate funds for other essential activities had been lost. Also, without being included in the procurement plan, 06 procurements worth Rs.1,140,550 had been implemented and no reasons had been revealed that whether the 34 procurement activities value at Rs. 1,083,495,000 were implemented or not.

- (b) Lotus Tower Project

The contact for the construction of the Lotus Tower was to two Chinese Companies as per the Cabinet Decision No. 10/2473/401/031 dated 29 October 2010 and the Telecommunications Regulatory Commission of Sri Lanka had entered into a contract agreement with these companies on 03 January 2012. The contract value of this project was US\$ 104,300,000 and according to the agreement, the contact was to be completed in 912

days from 12 November 2012 to 12 May 2015, but the Commission had approved to extend the contact period up to 31 October 2017.

The Telecommunications Regulatory Commission of Sri Lanka has entered into a loan agreement with EXIM Bank on 17 September 2012 to procure funds for this construction contract. According to the loan agreement, it had been agreed to award 85 percent of the contract value, or US\$ 88.655 million and the loan was to be completed by 18 August 2016. Due to non-compliance of the construction contract according to the schedule, the full loan amount could not be obtained as scheduled and during the relevant period US\$ 67.260 which is only 76 percent of the loan amount had been released.

The following matters were observed in this regard,

- (i) According to the Memorandum of Understanding entered into with the Commission and the Urban Development Authority on 23rd January 2012, the land on which the Lotus Tower was constructed is 7 acres 2 Rood 8.41 perches but it was observed that the details submitted by the Commission for the audit the extent of the land owned by the Urban Development Authority is 4 acres 3 Rood and 24.47 perches.
 - (ii) According to the financial feasibility report prepared on this project, it had been planned to commence the operation of the project from the year 2015 and thereby earn an annual income of Rs. 1,685 million for first five years and Rs. 1,918 million for second five years. Nevertheless, due to the delays in the project activities, the expected annual income had been lost. Accordingly, as per the financial feasibility reports, when calculating the expected earnings, the loss of income as at 31 December 2020 was 9,639,408,102 million.
 - (iii) Although it was planned to pay the loan installments from the project income according to the original plans, due to the non-completion of the construction work of the project as planned, Rs. 7,877million had been paid by the Commission from its fund as loan installments and interest by 31 December 2020 . Due to the payment of loans and installments, the remittance made to the consolidated fund in 2017, 2018,2019 and 2020 had decreased as Rs. 5,200 million, Rs. 6,150 million, Rs. 19,050 million, and Rs. 23,000 million respectively thus aggregating to Rs. 53,400 million in relation to the year 2016.
 - (iv) Even though the Lotus Tower was officially opened on 16th September 2019 at a cost of Rs. 11,325,012, it had not been transferred to the Commission and initiated the commercialization process up to now.
 - (v) The Allowances amounting to Rs. 13,067,971 paid during the year under review to the officers who recruited on contract basis outside the approved carder for the commercialization process of the Lotus Tower as per the decisions of the Commission had been stated in the financial statements as accounts receivable on a recoverable basis from a company not yet established.
- (c) Payment of consultancy fee for Lotus Tower project
- In terms of the Cabinet decision No. 10/2473/401/031 dated 27th October 2010 and the Commission decision No.2K13.DC.199H dated 06th February 2010, the approval had been granted to enter into an agreement with the University of Moratuwa to obtain consultancy services for the construction of the Lotus Tower. Accordingly, the two parties had agreed to pay

1.5 percent of the contract amount of Rs. 198,691,500 as consultancy fees signed on 15 February 2013 to obtain consulting services.

The Consultative Services Agreement was extended up to 31st October 2017 on the decision of the Commission decision No 2k15.219.13 (ii) dated 26th November 2015 and the amount of Rs. 72 million had been paid to the University of Moratuwa at the rate of Rs. 03 million per month. Even after the expiration of the agreement, Rs. 59.8 million had been paid to the University of Moratuwa for the period from 01 November 2017 to 16 September 2019 as consultancy fees. After the opening of the Lotus Tower on September 16, 2019, the amounting to Rs. 28.6 million had been paid to the University of Moratuwa as consultancy fees for the period from 01 October 2019 to 31 December 2020 due to the Lotus Tower not being handed over to the Commission. Accordingly, the total value of consultancy fees paid as at 31 December 2020 was the amount of Rs. 310.4 million.

- (d) The period of the contract that the Commission entered into an agreement at the value of 2,992,330 with the Sri Lanka Institute of Development Administration on 20 October 2020 to obtain consultancy services to revise the staff composition, organizational structure and scheme of recruitment of the Commission was completed in January 2021 and even though the amount of Rs. 1,490,166 had been paid for this purpose in the year under review, the relevant task had not been completed even by June 2021.

2.3 Other Audit Observations

The following matters were observed.

- (a) Even though the amount of Rs. 345,502 had been paid to the National Housing Development Authority in 1999 and 2010 for the acquisition of ownership of 6.21 perches of land where the Hanthana Frequency Monitoring Station is located, its ownership had not been obtained even during the year under review. Also, no title deeds or lease agreements had been obtained for the lands where the head office and the Kokavil Multipurpose Center were located by the end of the year under review.
- (b) It had been failed to recover the amount of Rs. 91,929,931 that to be recovered from the year 2012 by the 03 government entities using the Kokavil Communication Tower during the year under review.
- (c) There were 70 vacancies in the Commission as at 31st December of the year under review and the post of Secretary to the Commission has been vacant for more than 09 years. Also, two officers were employed on a permanent basis for the post of Assistant Accountant who was not included in the approved carder and the amounting to Rs. 1,873,503 had been paid as salary, housing rental allowance, incentive allowance and transport allowance during the year under review.



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