Liberalization and the Growth of Telecommunications in the Caribbean

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Dr. Martin Cooper of Motorola, made the first analogue mobile phone call on a larger prototype model in 1973.

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Brief History of Liberalization

- International Pressure for the revision of the International Accounting Rate System
- FCC issues Notice of Proposed Rulemaking (NPRM) IN 1996
- Benchmarking and reduction of accounting rates
International Actions

- Activities in the GATS – telecommunications as a traded service
- Group on Basic Telecommunications (within GATS)
- Countries make offers to liberalize
- Roles of ITU and WTO defined
Group on Basic Telecommunications

- GBT Reference Paper and its implications including Independent Regulator, competitive safeguards, USO, Transparency
- Basic Telecommunications defined
Caribbean Actions

- Caribbean countries among those making commitments under WTO arrangement on Basic Telecommunications
- Offers made by governments in collaboration with operators
- Caribbean countries start actions with a view to the liberalization of telecommunications.
- Jamaica’s offer – basic telecommunications reserved for operator until 2013, internet (excluding voice) liberalized, cellular reserved for five to ten years. No restriction on ownership;
- T & T’s offer – competition to start in 2010. Until then competition in some value added services. Ownership reserved for exclusive operator;
- Grenada’s offer – ownership reserved for exclusive operator. Competition after 2005;
Establishment of ECTEL comprising five OECS countries
Jamaica and the OECS countries lead the way
Liberalization went way beyond commitments to WTO
Competition in the Caribbean

- Digicel acquired licence in Jamaica in 2000 followed by licences in various Caribbean countries including Trinidad and Tobago and Haiti in 2006
- Other mobile operators entered the market – AT&T and others
- Arguments regarding “small markets”
- As of 2006 Digicel has spent over US $1.2 billion in Caribbean
- Massive investment in the Caribbean by newcomers and incumbents
- Expanded fibre optics capabilities
- Fall in prices
- Growth of regulatory bodies
- Growth of regulatory capabilities within operators
- Independent Regulators?
- Difficulties of Regulators
- Role of ITU and other international organizations
- Role of CARICOM and other regional organizations
- Caribbean Single Market and Economy
- Need to Harmonize and efforts of EU, CTU and ITU
The ITU’s mandate includes regulatory issues:
- **ITU-T**: Standards
- **ITU-R**: Spectrum/WRC 2007
- **BDT**: Regulatory, Development
- Global Symposium for Regulators
- **G-REX**: The Virtual Tool for Regulators
- **BDT Study Groups**
- Workshops/Seminars/Direct Assistance
- **ITU/InfoDev ICT Regulation Toolkit**
- Harmonization
Thank You!

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