

## **Caribbean Workshop on regulatory and Costing Issues**

### **Mission report**

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Montego Bay, Jamaica  
4-7 July 2000

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#### **Purpose of the mission:**

The workshop was organized by the BDT/PSF Financing Unit and the ITU/BDT Field Office in Barbados, and hosted jointly with the Government of Jamaica to address specific key regulatory issues focusing on Tariffs, Institutional Reform, Universal Service, Trade in Services and Implications of the WTO Agreements on the telecommunication sector in the Caribbean region. The workshop was intended to facilitate the exchange of information and experiences and identify actions for follow-up to be undertaken by the ITU and the countries in the Caribbean region.

#### **Main activities and results:**

On the first day, Mr. P. Cross, ITU regional representative, give an overview of the competitive environment in the Caribbean highlighting which countries have or are planning to introduce legislative reforms and tackling how and when these will be done. Mr. Bigglesworth made a comprehensive presentation on essential regulation for the Caribbean taking into account competition, definition of universal service, costing issues (including LRIC) and interconnection. An operator's point of view on dimensions in delivering telecommunications services in a competitive environment was given by Mr. K. Compton from Cable & Wireless Saint-Lucia. He pointed out that as technology evolves so should the regulatory framework. The process should be dynamic and not static. Mr. Coipel, CTU, made a presentation on the cooperation in liberalization in the Caribbean region that was followed by country case studies on that topic. It was interesting to note that most of the countries have committed to reform their legislation (new legislation, establish a separate regulator, open market to competition) or are planning to do so in the near future. The OECS member countries are in the process of establishing a separate regional regulator, Eastern Caribbean Regulatory Authority for Telecommunications (ECTEL), which will be the first of its kind worldwide.

On the second day, costing issues and methodologies were widely discussed. Mr. J. Prince made a presentation on the TAL Model highlighting the data requirements and that there is no universal costing basis, then Mrs. Neal, Cable & Wireless Jamaica, presented the cost model used by the company (network service model). Mr. Selby, CANTO, provided an example of the Activity Based Management model. Mr. Pape Gorgui Touré, BDT/PSF/FS highlighted the universal service issues, the access deficits principles, the costing approaches and made a demonstration of a costing model tool based of the TAF model.

On the third day, Mr. Cleveland, Cable & Wireless Trinidad & Tobago, explained the principles of price cap. Mr. Monedero, ITU Consultant, made a comprehensive presentation of the GATS its impact on the Trade of International Telecommunications services, the Annex on Telecommunications, Schedules of commitments, the impact of the Reference Paper on national policies and update on developments in WTO 2001. Mr. de Freitas, OECS, explained OECS policies and setting up of the regional regulator, ECTEL which is being set up by five member states.

On the fourth day, Ms. Sundberg, BDT/PSF/SRU, made a very comprehensive presentation highlighting the global trends of the telecommunication market and giving valuable informations including the BDT programme for regulators emphasizing the activities of the Sector Reform Unit. Mr. de Freitas, OECS, continued the presentation of ECTEL's organization and establishment issues.

Participants then exchanged their views and opinions on follow-up of activities and made a statement of intent.

**Conclusions:**

The workshop was successful in fulfilling its goal. It permitted exchange of information and useful comments were made. The participants were enthusiastic and elaborated a statement of intent that explained what they would like the next step to be. The participants recognized the necessity to follow on with the dialog that was initiated among them and to continue exchange of information. They are now expecting the ITU to provide a software tool to help them implement costing methodologies.