The Case for a CARICOM Broadband Policy:
Issues, Challenges, Opportunities

CARICOM SECRETARIAT
MEXICO
April 19, 2012

CONTEXT

- Regional and International Integration & initiatives
  - CSM&E
    - Revised Treaty of Chaguaramas (CARICOM)
    - Revised Treaty of Basseterre establishing the OECS Economic Union -- signed on 18 June 2010
  - UN (LAC)

  - MDG
- Information or knowledge or Learning Society (WSIS)
- Trade Agreements
  - (CARIFORUM – EC, EPA)
  - CARICOM – Canada,
  - Aid-for-Trade

Why Broadband is important to CARICOM

- A full-employment economy
- A decent standard of living & quality of life for all citizens
- Elimination of poverty
- Adequate opportunities for young people
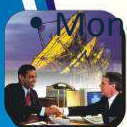- Spatially equitable economic growth within the Community

CONTEXT

- Cable & Wireless (operating services under the LIME brand) is the dominant telecom provider in most regional markets,
- Digicel and other players offering effective competition.
- Investment in the telecoms sector has been affected by the global financial crisis, which has led to reduced revenue for operators, scaled-back government programmes and a weakened tourist sector.
- Monopolies still exist.

Why Broadband Policy?

Broadband in the Caribbean

- Broadband penetration in the Caribbean is 28.2%
    - 11,661,750 Internet users
    - 5,930,520 Facebook users

- Bermuda has the highest penetration: 79.1%

- Haiti has the lowest penetration: 10.3%

BROADBAND COMMISSION
FOR DIGITAL DEVELOPMENT
www.broadbandcommission.org

4 ITU UNESCO

ISSUES

The developing world's share of Internet users has grown from 44 per cent five years ago to 62 per cent today.
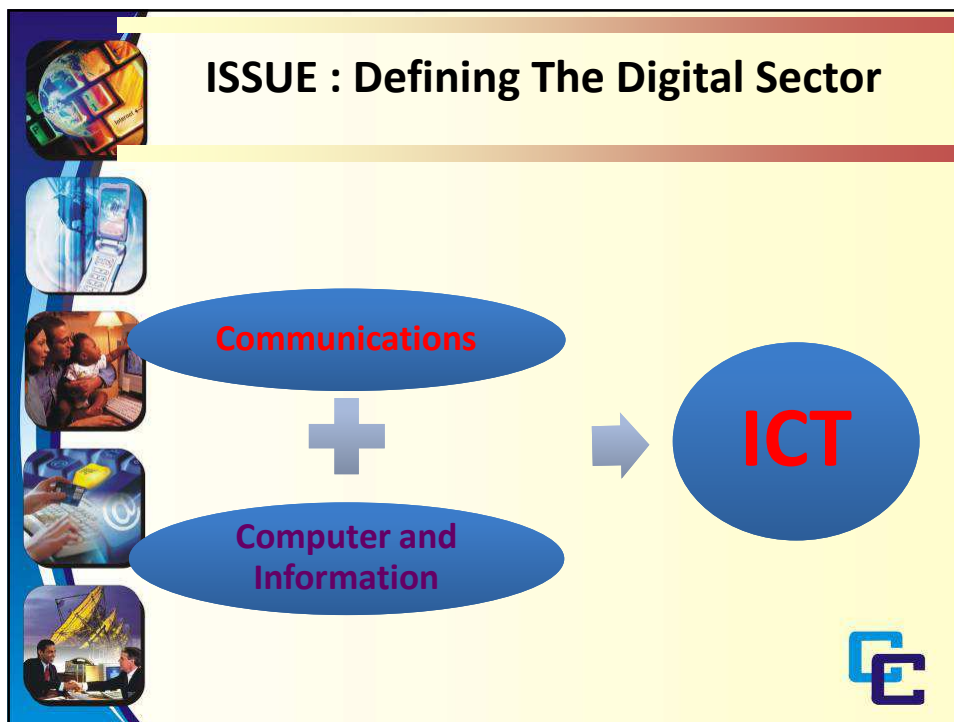
☐Global Internet penetration has grown by over 50 per cent in three years, from 13 per cent in 2008 to 20 per cent in 2011.

Top broadband economies are all in Europe, Asia and the Pacific

ISSUE : Defining The Digital Sector

Communications

+

Computer and Information

→

ICT

ISSUE: New Development definition

- ...local development objectives should encompass
- collective action for judicious use of natural and other resources and developing human capital (from basic education to management skills and entrepreneurial abilities) to the
- goals of adequate service delivery,
- maintaining cultural heritage and environmental assets, and
- creating sustainable livelihoods.[3]

UNDP Report

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ISSUES

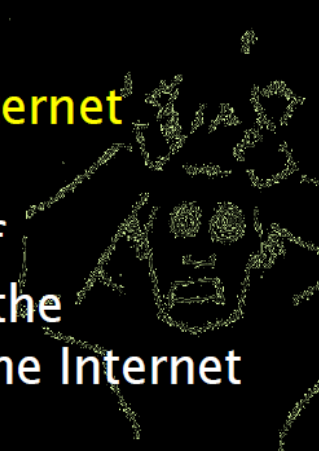- **Formal Access vs. Effective Access**
  Formal Access – Physical reach
  Effective Access – Physical reach with impact which considers:
  - *Financial affordability*
  - *User expertise*
  - *Ease of interface*
  - *Relevance of content*

CHALLENGES

- Limited Domestic Traffic Exchange
- Limited Critical Internet Infrastructure
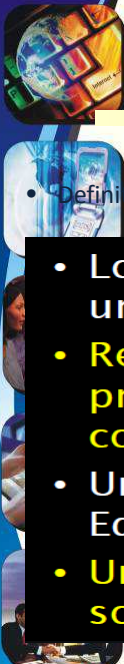- Distressing lack of understanding of the fundamentals of the Internet economy

CHALLENGES

❑We Need it NOW!!

– Reduced timeframe expectations for delivery

– Reduced and simplified steps in the process

– Desire for increased immediate access to more services with less effort

CHALLENGES

• Definition of BROADBAND

- Low Internet penetration (rural and urban)
- Relatively low levels of content production relative to consumption
- Uneven tariffs and policies on ICT Equipment Import
- Uncoordinated approaches to ICT software licensing

CARICOM Challenges

- Statistics – Measuring to Monitor
- Development of robust and flexible regulatory frameworks
- Co-operation Models for multiple regulators
- Resource Allocation

CHALLENGES:

- How can broadband connectivity and content be delivered in the most accessible and affordable way, and to all citizens, in their own languages?
- At what stage in the planning do we include the
  - Regulators?
  - Private Sector?
  - Civil Society

Challenges: Cost of Access

- The cheapest broadband prices relative to average national monthly income can be found in Monaco, Macau (China), Liechtenstein, United States and Austria.
- Customers in 31 countries –industrialized nations – pay only the equivalent of 1 per cent or less of average monthly gross national income (GNI) per capita for an entry-level broadband connection

CARICOM Challenges

- Funding and Technical Assistance
- Placed in **Development** Context
- Funds – mapped to Real /documented Needs
- Must address Access issues as well
- Recognise existing structures and institutions

OPPORTUNITIES

- Greater Usage
  - More consumers and businesses are online
  - Increased Mobile Internet uptake
- Increased Content Production
  - Packaging of content for global consumption
- More E-Government initiatives
  - more government info and services online

- Laptops for School Children
- Increasing appetite for Internet Services
- High Mobile Penetration
- Emphasis on Innovation
- New Policy Developments

- Growing Internet Usage
- Growing Internet Penetration
- Increased *Awareness* of requirement to locate Critical Internet infrastructure within the Region

OPPORTUNITIES

The **social returns** from investing in more broadband exceed the **private returns** of companies and consumers

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Opportunities

- **ICT Demand-side**
  - Broadband enabled applications (sectors) / Internet business solutions
  - Education
  - Health
  - Agriculture
- Improved Partner Networks
- Examine National / regional models
- Multi-lingual populace (English, French, Dutch)
- **Access to Information (as a fundamental Human Right)**

Opportunities : Regional Organisations

- CARICOM SECRETARIAT
- CTU
- CDEMA
- CRITI
- CARICAD
- CKLN
- CROSQ
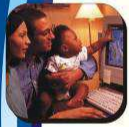- CANTO not a CARICOM entity but active partner in ICT initiatives

WHERE ARE WE: National strategy development

- Countries: CARICOM
- All = ICT Strategies
- E-government,
- ICT Education measures,
- Tourism
- Agriculture
- Infrastructure and
- Legislation

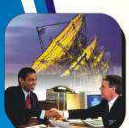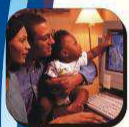## WHERE ARE WE? REGIONAL Policy Development

- ❑ E-Government Strategy
- ❑ Draft Services Strategy
- ❑ SME Work Plan
- ❑ Cultural Industries
- ❑ (Draft) Regional Economic Plan
- ❑ Regional Digital Development Strategy (RDDS)

❑**HIGH-LEVEL COMMITMENT**

Statistics

- Measuring & Benchmarking
- Need to quantify the benefits of ICT (including Broadband)
- Work-Plan & Framework (**In development**)

Why a Digital Development Strategy?

- Development of CARICOM Information /Knowledge Society
- Key productivity enabler for industry
- New smart services and applications
- Member State focus on existing action plans (e.g. eGovernment)
- Boost Broadband accessibility

Objectives of the Regional Digital Development Strategy

- **Fully establish modern regional regulatory and open telecommunications infrastructures with affordable networks using converged technologies, to provide affordable and ubiquitous access.**

- **Build a digital Community culture and increase the value and volume of the regions trained ICT workforce that can create with, develop and use ICT to improve life style and otherwise add personal and economic value.**

- **Manage and use ICT to demonstrate good governance and increase efficiency in operations.**

- **Establish a culture of innovation and quality, and to enable sustainable production of Regional digital goods and services, the development of cultural industries and the inclusion of local content in delivery of information.**

- **Guide businesses and governments to use ICT for sustainable growth and support social development objectives through partnerships that use networked technologies.**

Strategic Development GOALS Include:

Greater Public Sector use and Citizen Adoption of e-Government Processes

Expanded Job Creation, Entrepreneurship and New Business Development

Accelerated Economic & Human Development and Global Competitiveness

Greater Global Recognition of and Rewards from the Caribbean Brand

Growth in Innovation and Development of New ICT Products and Services

Highly Educated and Well-Trained Caribbean people available to the ICT Sector

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Recommendations of the Strategy

- Regional Approach linked to stakeholder interests

  Stakeholder interests

- Development of a Single ICT space

  - Citizens, consumers and users

  - Media and content sector

  - Telecoms sector

  - Labour market

  - Financial structures and systems

  - Regulatory environment

WHERE ARE WE?

Connectivity: Reducing the cost of broadband access and increasing the range of Internet access options

– *Broadband Connectivity Strategy*
– *Rural Community Access Strategy*
– *Connectivity Incentive Programme*

WHERE ARE WE? (Broadband Ecosystem)
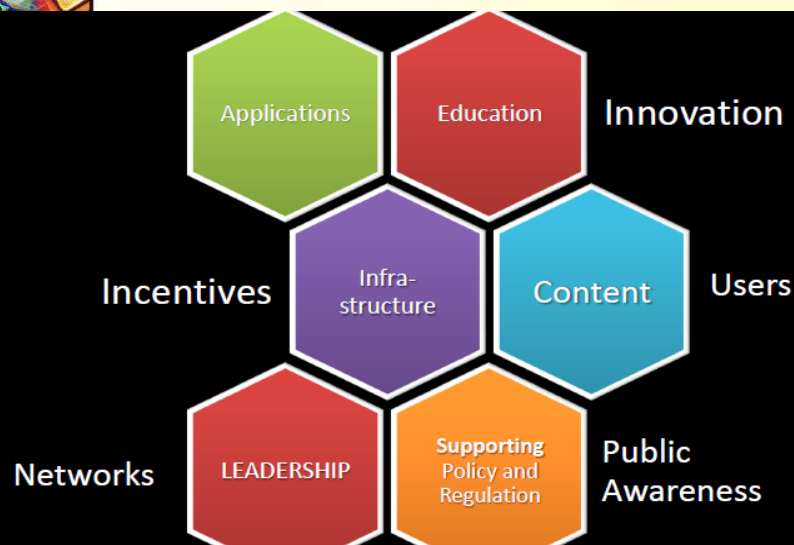
WHERE ARE WE? EXAMPLES
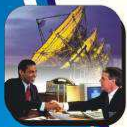
- REVIEWING OUR DOMESTIC INFRASTRUCTURE
  - IXPs
  - CKLN / C@ribNET
- STRENTHENING SKILL SETS
  - CKLN / C@ribNET
  - UWI / Open University

NEXT STEPS

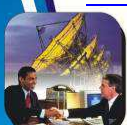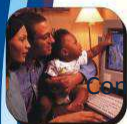- **IDENTIFICATION OF KEY SYNERGIES**

- **MEASURING & MONITORING**

- **INTRA & EXTRA REGIONAL CO-OPERATION**

- **INTENSE RESOURCE MOBILISATION**
  - **AID-FOR-TRADE**
  - **CONNECT THE AMERICAS SUMMIT**

THANK YOU FOR YOUR ATTENTION

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