

## **GSR13 Consultation**

### **Suggested innovative and regulatory approaches to address the evolving role of Regulator**

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#### **Background**

There is a paradigm shift occurring in the telecommunications regulatory systems throughout the world. Regulatory models which governed the behaviour of traditional telecommunications companies that delivered basic voice telephony service are being replaced by regulation more suited to the converged environment. Telecommunications convergence describes an environment where telecommunications services have moved beyond the provision of voice service and has embraced the provision of data, ADSL (Internet) and television content, all of which delivered over traditional land line or by modern wireless systems.

A salient characteristic of this shift is that these services can be delivered by a number of different entities such as a television, Internet or even an electricity provider. In Barbados the three major service providers currently offer a combination of Domestic land line, mobile telephone, international telecommunication, internet services and cable television services. Convergence in the industry poses considerable challenges given the legislative framework which regulate the industry. Government policies often limit what these regulators can do due to a regulatory environment which was created before convergence.

The telecommunications sector in Barbados is regulated by the Fair Trading Commission and the Ministry responsible for Telecommunications through the

Telecommunications Unit. The Ministry's responsibilities include policy formulation, licensing requirements, spectrum management, universal service and numbering. The Commission is responsible for the execution of policy objectives related to regulated services, setting rates, regulating interconnection, setting standards of service, and the management of complaints of the regulated service provider.

The licensing procedures in Barbados allow for the provision of different services by a single provider; however the service providers must apply for licenses specific to particular telecommunications services.

### **Suggested regulatory approaches to address the evolving role of the Regulator**

The following regulatory approaches and innovative measures are suggested to address the evolving role of the regulator:

- Streamlining of licensing into a smaller number but broader category of services. Such categorization would enable a service provider to deliver a number of different services under one license. This should be done with the objective of technology neutrality in mind.
- An expanded role for the regulator or the creation of an Electronic Communications regulator. This would require additional financial and technical resources in order that the sector could be adequately regulated.
- Legislation should be amended to cover the entire communication industry, and all Information and Communications providers should be regulated in varying degrees. This regulation should not be based on the traditional economic regulation such as a rate of return or price cap, but may be through the use of mandatory industry codes including those relating to standards of service. IN Barbados for example, draft legislation for licensing, interconnection, Universal

Service, E-Commerce, Cyber-crime and Freedom of Information are currently being reviewed by the Telecommunications Unit.

- More attention needs to be paid to competition issues as the regulator will be responsible for the entire market as opposed to a single entity as it is at present.