

Telecommunications in Jamaica and the Caribbean

Present Scenario and Perspectives

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Telecommunications in Jamaica and the Caribbean

Present Scenario and Future Perspectives



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Present Scenario and Future Perspectives

Overview

□ JAMAICA

- Pre liberalization
- Post liberalization
- Regulatory Framework
- Future Perspective

□ Caribbean : Present Situation

- OECS: St Lucia, Dominica, Grenada, St Vincent & the Grenadines, St Kitts & Nevis
- Barbados
- Trinidad and Tobago

□ Technological, Regulatory and Political Challenges on the horizon

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Jamaica Macroeconomic Data

- ❑ Population : 2.6 million
- ❑ GDP : USD 10.61 Billion (2003)
- ❑ GDP per capita : USD \$3,900
- ❑ Inflation rate : 10.3% (2003)

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JAMAICA : Pre – liberalization

- 1988 : Government privatized telephone service
Granted 5 licences to Jamaica Telephone Company
(renamed C&WJ)
 - Licences were for 25 years (2013)

- 1999: - Government not satisfied with state of telephone service
 - Signed Heads of Agreement with C&WJ
 - Break monopoly
 - Introduce competition on phased basis

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JAMAICA Phased Liberalization

- March 2000 – Phase 1 of Liberalization
 - Competition to Cellular Market
 - 2 Spectrum Licences : US\$92.5 by Auction
 - Telecommunications Act, 2000
 - Internet Service – using C&WJ facilities
 - Free Trade Zone (Cell Centres)

- October 2001: Phase II
 - Fixed Wireless and Wired Facilities
 - Internet Service by STVO facilities

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JAMAICA Phased Liberalization

- March 2003 – Phase III: Full Liberalization
 - International Voice Services Market opened
 - Achieved 10 years earlier than commitment under WTO Protocol

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Jamaica: Current Status of Telecom – Regulatory Framework

- OUR - Office of Utilities Regulations Multi-Sector Regulator
 - National Telecoms regulator
 - Responsible for Telecom competition, economic regulation and consumer protection
 - Established by OUR Act, 1995
 - Main legislation for telecom is Telecom Act, 2000.

- SMA - Spectrum Management Authority
 - Responsible for the management of the Radio Frequency Spectrum
 - Established by Telecom Act, 2000
 - Operational since April 2001

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Jamaica: Current Status of Telecom – Regulatory Framework

- BC - Broadcasting Commission
 - Responsible for Broadcasting and Subscriber TV
 - Content and Technical Regulation (except spectrum)
 - Broadcasting and Radio Re-Diffusion Act, 1949 (amended 1986)

- FTC Fair Trading Commission
 - Responsibility generally for competition issues
 - They collaborate with the OUR

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Jamaica: Current Telecom Landscape

❑ Fixed Line Operators

- CWJ: estimated No. lines 450,000
- GOTEL (Fixed wireless): estimated 4,000 (less than 1%)
- Teledensity : 17 lines per 100 population.

❑ **Mobile Operators: 1.6 Millions Subscribers**

- Digicel : 62% market share 1.0 million
- C&WJ : 31% market share 0.5 million
- ODJ : 7% market share 0.1 million

Note: AT&T Wireless licensed in March 2004, yet to commence operation.

- Teledensity: 61 subscribers per 100 population

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Jamaica: Current Telecom Landscape

□ Internet Service

- 64 licenced ISPs (less than 10 operational in 2004)
- 1000,000 subscribers (less than 10% high speed access)
- 600,000 estimated users (2002)

□ Broadcasting

- Radio : 19 stations (4 community included)
- TV : 3

□ STVO

- 51 Regional Cable TV Operators
- Wireless cable operator (MMDS)

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The Caribbean



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Caribbean :Current Telecom Landscape

- OECS : St Lucia, Dominica, Grenada, St Vincent & the Grenadines and St Kitts & Nevis.
 - Established first regional Telecommunications Regulator ECTEL : Eastern Caribbean telecommunications Authority by Treaty signed 2000 May 4 by 5 Head of States
 - a cost effective strategy to regulation – based on small size of national budgets.

Each country has a NTRC which collaborates with ECTEL

Full liberalization as of May 2002

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Caribbean :Current Telecom Landscape

- Relatively small economies

Country	Population	GDP Per Capita USD
St Lucia	153,000	4,386
St Vincent & Grenada	120,000	3,028
Dominica	80,000	3,478
Grenada	110,000	4,348
St Kitts & Nevis	50,000	7,494

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Caribbean :Current Telecom Landscape

□ OECS: Teledensity

Country	Lines per 100 inhabitants	Cellular subscribers per 100 inhabitants
St. Lucia	33	9
St. Vincent & Grenadines	23	8
Dominica	30	12
Grenada	30	7
St. Kitts & Nevis	47	10

□ Fixed-line service provided by Cable & Wireless

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Caribbean :Current Telecom Landscape

□ OECS

○ Mobile Operators

✓17 Cellular licences issued, 15 in operation

✓Dominica: AT&T, C&W, Orange

✓Grenada: AT&T, C&W, Digicel, GNP, TWTC

✓St. Kitts & Nevis: AT&T, Cariglobe, C&W

✓St. Lucia: AT&T, C&W, Digicel

✓St. Vincent & Grenadines : AT&T, C&W, Digicel

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Caribbean :Current Telecom Landscape

TRINIDAD & TOBAGO

- Population : 1.3 million
- GDP per capita : USD 9,600 (2003)
- Fixed Line Service
 - _ Provider : TSTT (govt. owned)
 - _ Teledensity : 25 per 100 inhabitants

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Caribbean :Current Telecom Landscape

TRINIDAD & TOBAGO

- ❑ Mobile Service
 - _ Provider : TSTT (govt. owned)
 - _ Teledensity : 28 per 100 inhabitants
 - _ 2 new licences by April 2005

- ❑ Regulatory Framework
 - _ Telecommunications Authority of Trinidad & Tobago (TATT)
 - _ Legislation : Telecommunications Act 2001 (amended 2004)

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Caribbean :Current Telecom Landscape

BARBADOS

Population : 270,000

_ GDP per capita : USD 16,200 (2004)

□ Fixed Line Service

_ Provider : Cable and Wireless

_ Teledensity : 50 per 100 inhabitants (2003)

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Caribbean :Current Telecom Landscape

BARBADOS

- ❑ Mobile Service
 - _ Provider : C&W, Digicel (Feb 2004), Cingular Wireless (Feb 2004)
 - _ No. of subscribers : 52 per 100 inhabitants (2003)

- ❑ Regulatory Framework
 - _ Ministry of Energy & Public Utilities (Spectrum)
 - _ Barbados Broadcasting Authority (Broadcasting)
 - _ Fair Trading Commission (Competition & Economic)

Digital Access Index

Top 10 in the Americas, 2002

Rank	Country	DAI
1	Canada	0.78
2	USA	0.78
3	Bahamas	0.62
4	St. Kitts and Nevis	0.60
5	Chile	0.58
6	Antigua & Barbuda	0.57
7	Barbados	0.57
8	Uruguay	0.54
9	Dominica	0.54
10	Argentina	0.53

Jamaica ranks in the upper access with a DAI of 0.53.

Jamaica ranked 12th in the Americas and 57th among 178 countries across the world.

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Perspectives on the Future

❑ Technological

_ Challenge is to extract maximum value for the subscribers from the convergence of technology

❑ Regulatory

_ Trends towards a Single National Regulatory

_ Spectrum : Give due consideration to declaring Spread Spectrum bands (2.4 GHz, 5.8 GHz) unlicensed to promote the growth of wireless.

_ Optimizing the continuum between Regulation and Competition.

➤ highly dependent on the state of liberalization

_ Use of Foreign Mobile Country Codes (MCC) and Mobile Network Code (MNC) by new entrants.

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Perspectives on the Future

□ Political

- _ Caribbean region moving towards CSME.
- _ Telecom Regulators and Operators to extract maximum value from the synergies this may bring.

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THANK YOU