

MINISTERIAL ROUNDTABLE – Report

By Philip Cross and Ayanna Samuels

CANTO's 30th Annual Conference and Trade Exhibition (CANTO 2014) was held at the Atlantis Resort, Paradise Island, Bahamas from 10 to 13 August, 2014. CANTO 2014 saw the staging of another extremely successful *Ministerial Roundtable*, based on the conference theme '*Strategic Alliances for Sustainable Broadband Development*'. Given the large number of representatives, the *Ministerial Roundtable* was divided into two panels, with ministers and ministerial representatives providing a range of responses to questions asked. This provided clarity and much needed information on the actual situation in various countries in respect of broadband development and various related issues.

Panelists:

- Keynote: *Clouding the Networked Society*, Julio Espinoza, Ericsson
- Hon. Mr. Evan Gumbs, Minister of Infrastructure, Communications, Utilities, Housing, Agriculture and Fisheries, Anguilla
- Hon. Mr. Ambrose George, Minister of Information, Telecommunications and Constituency Empowerment, Commonwealth of Dominica
- Hon. Mr. Phillip Paulwell, Minister of Science Technology Energy & Mining, Jamaica
- Hon. Mr. Charles Kirnon, Minister of Communications & Works, Montserrat
- Hon. Mr. James Fletcher, Minister for Public Service, Sustainable Development, Energy, Science & Technology, Information & Broadcasting, St. Lucia
- Dr. Jerrold Thompson, Director of Telecommunications, St. Vincent & The Grenadines
- Ing. Alejandro Jiménez, INDOTEL, Dominican Republic

MINISTERIAL ROUNDTABLE – First Panel

The keynote address was given by **Mr. Julio Espinoza, Consultant, Ericsson Region Latin America and Caribbean**. He spoke of the merit of cloud computing and how this technology was reducing previous barriers to innovation by creating a rich and growing service ecosystem. He further indicated that the global community is moving towards a networked society in which the cloud will play a major role and he predicted that in the next few years some 50 billion devices will be connected to the cloud.

Four questions were asked of the Ministerial Panel and the following are their responses.

- 1. How should Caribbean governments, regulators and operators work together to ensure that citizens enjoy sustainable broadband, i.e. enough bandwidth, at an affordable price?***

Ministers were in general agreement that greater broadband development was needed in the Caribbean and more serious efforts must be made to accelerate this process. They indicated that although there has been some progress there is a clear need for

greater efforts. In addition, statistics are also needed to show the exact situation. In order to derive the full benefits of broadband, governments need to understand the role of broadband in economic development. Among the important points mentioned are the following:

- Educate Caribbean people on the benefits of ICTs and how they can be incorporated into their productive lives;
- Establish a regional broadband commission involving all major stakeholders and establish policies and strategies;
- Obtain correct statistical information on broadband penetration and ensure that correct data is transmitted to relevant agencies including the ITU;
- Provide concessions to telecoms operators in order to encourage 4G coverage, while increasing indigenous content;
- Use Universal Service Funds to support broadband rollout.
- Include consumers in broadband dialogue.

2. *Which policies and/or incentives should be adopted in the Caribbean to accelerate the adoption of broadband?*

Panelists indicated that governments had worked with operators to create a favourable environment for broadband increase and it may not be feasible to continue in this direction. Among the specific answers given were the following:

- Generous incentives and tax reductions have already been made to telecoms operators;
- Having received incentives, broadband growth and global rankings must now be seen;
- Additional incentives may not facilitate broadband growth;
- Large areas of population are still not accessing bandwidth mainly because of lack of coverage and affordability;
- Policies needed in relation to public service, content development, new technologies and public education;
- Broadband take-up could be increased by producing more culturally relevant content;
- Consider adopting US policy of selling phones at reduced rates when combined with a data/voice plan;

3. *Should the same rules, obligations, fees and taxes apply to all parties involved in providing telecommunications services to customers including those providing Unlicensed Voice over IP (VoIP) services?*

This question was asked during both panels and the combined responses are provided. There were different views on the subject on OTTs and the way they should be treated. There was general consensus however that OTTs contribute to network congestion, offer the possibility of bypass and they provide no revenue to Caribbean countries. Views from the panelists included the following:

- The same rules should not apply;

- Revenue was being lost to governments because of OTT operators;
- Caribbean operators have made significant profit since investing in the Caribbean and new VoIP service providers have forced telecoms operators' prices down;
- Contributions to USF in different countries is being reduced and this could slow the growth of broadband;
- Operators and governments were losing revenue
- There is a demand for VoIP services, especially with the high cost of international calls and perhaps local Caribbean alternatives should be sought;
- The number of OTTs continue to grow and in many cases legislation does not allow them to be blocked;
- CANTO's document on VoIP is being studied;
- Most countries do not have policies to deal with VoIP and OTTs.

4. *What activity is currently taking place in your country to create an ecosystem to support the growth of innovation, especially as it concerns mobile apps and content development?*

Ministers felt that innovation and entrepreneurship were important for the Caribbean, especially in the development of content. Most participants indicated that there were innovative activities in their countries, including activities in conjunction with regional and international partners. Participants also expressed the view that the Caribbean should become a net exporter of content. The main areas would be e-books, music and culture. Ministers also felt that creativity exists in the Caribbean and more measures are needed to enhance this creativity.

Examples of activities in relation to this subject as well as suggestions for further actions included the following:

- The Caribbean Regional Communications Infrastructure Program (CARCIP), operational in the Eastern Caribbean (SVG, St. Lucia and Grenada), funded by the World Bank is seen as a project that is creating the right conditions for innovation and entrepreneurship. It provides broadband, fosters innovation, assists entrepreneurs;
- The SMART project in St. Vincent and the Grenadines is funded by USF and is aimed at growing the entrepreneurial base;
- Jamaica has implemented a Minister's Innovation Award which is helping to promote innovation;
- Jamaica has also embarked upon the Microsoft *Imagine* competition with Microsoft and the *Start Up Jamaica Initiative* funded by the World Bank;
- The Caribbean needs to become a net exporter of content;
- Develop national broadband strategies, improve the broadband infrastructure, use USF to develop infrastructure, solicit more inputs from financial institutions, educate consumers about the possibilities that broadband provides.

MINISTERIAL ROUNDTABLE – Second Panel

Panelists:

- Keynote: *Sustainable Broadband for a Better Connected World*, Justin Zhang, Huawei
- Mr. Tracy Hackshaw, Deputy National Chief Information Officer, Minister of Science and Technology, Trinidad & Tobago
- Hon. George Lightbourne, Minister of Government Support Services, Turks and Caicos
- Hon. Alvin DaBreo, Minister of Communication, Works, Physical Development, Public Utilities, ICT and Community Development, Grenada
- Mr. Reginald Bourne, Telecommunications Officer, Barbados
- Hon. Melford Nicholas, Minister of State Information, Broadcasting & Telecommunications, Antigua/Barbuda

Mr. Justin Zhang from Huawei gave the keynote address prior to the start of the second session; his presentation entitled “Sustainable Broadband for a Better Connected World”. He explained that sustainable broadband was needed for a better connected world. He further emphasized the wide reach of broadband which he referred to as an essential part of the modern economic infrastructure and also playing a major role in social development and the entertainment industry. He further stated that the sustainable development of broadband will lead to the sustainable development of society, technology and innovation.

Four questions were also asked of the second Ministerial Panel and the following are their responses.

5. Are there any examples you can share of successful strategic broadband alliances in your countries?

While this subject has been discussed in most Caribbean countries, not everyone has been able to undertake successful initiatives. However, the subject is under discussion in many countries. Among the successes in this area are the following:

- In T&T, ICT Access Centre Programme has been launched with inputs from Columbus, TSTT, Fujitsu and Microsoft. So far three centres have been successfully rolled out and there will be an additional 38.
- In Antigua and Barbuda, the GATE initiative (Government Assisted Technology Endeavour) is seen as a successful initiative across government agencies and this is leading towards the development of a government portal. This facility allows the processing of various government documents online.

6. *Is there still a level playing field and what about the fact that one has no recourse in respect of poor (QoS) quality of service when utilizing OTT services?*

There was a common view that it is very difficult to deal with QoS as far as OTTs are concerned, especially in the light of the important issue of jurisdiction. OTT operators are not within the jurisdiction of Caribbean countries, therefore are not subjected to the laws in the Caribbean as they stand. Other views expressed include:

- Encourage local entrepreneurs to establish similar OTT services;
- Not all OTTs are the same;
- Encourage competition on a level playing field;

7. *Are governments willing to allow existing operators who provide VoIP services to exist without having to pay taxes or USF charges?*

- Once again ministers referred to the question of jurisdiction. Governments can only deal with operators within their jurisdiction. The view was also expressed that governments have a strong interest in collecting taxes. Some ministers were also of the view that operators simply want to make more money and they want governments to give more concessions to them. Panelists felt that government and consumer interests must be taken into consideration in discussions on this subject.

8. *How should we go about structuring the strategic dialogue moving forward in the Caribbean and also in preparation for next year's CANTO conference?*

There was general agreement that a multi-stakeholder forum, including all regional stakeholders, would be useful and this could be within the framework of a Caribbean Internet Governance initiative. Over-the-Top (OTTs) were seen as successful businesses, with very high stock valuations, yet little or no infrastructure. In this regard the question of a single Caribbean ICT space should be further developed, in which cost among Caribbean countries would be reduced. The HIPCAR project was mentioned as a shining example of a multi-stakeholder model that has worked for the Caribbean. Discussions with OTTs would also be another option.

Conclusions

The Ministerial Panel at CANTO 2014 provided important information for participants in respect of various activities related to broadband development in the Caribbean. One of the most important subject that was discussed was the Over-the-Top operators and how they should be dealt with. There were differing views on this matter, but everyone indicated that it was an important subject that must be dealt with expeditiously. With respect to broadband rollout, ministers indicated what was

happening in each country and in all cases they stated that this rollout needs to be accelerated. There were several suggestions on how this could be done, including Public Private People Partnerships in relation to broadband. It was clear from the discussions that Ministers were in favour of regional Caribbean approaches in respect of issues related to the development of broadband.