

**Prime Minister of The Bahamas**

**Rt. Honourable Perry Gladstone Christie, MP**

**Keynote Speaker**

**CANTO 30th Annual Conference & Trade Show**

**Atlantis; Paradise Island**

**Sunday, 10<sup>th</sup> August, ~~21st July~~ 2014**

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**Theme: "Strategic Alliance for Sustainable  
Broadband Development."**

**I wish to thank Mr. Dirk Currie, Chairman of  
The Caribbean Association of National  
Telecommunication Organizations (CANTO)  
and CEO of Telesur Suriname and his Vice  
Chairman Mrs. Helma Etnel, Chief Executive of  
TELEM St. Maarten for the invitation to speak**

at this historic 30<sup>th</sup> Annual CANTO Conference and Trade Show.

I note with interest that both Telesur of Suriname and TELEM of St. Maarten are one hundred percent (100%) owned by the respective governments of Suriname and St. Maarten.

I also wish to acknowledge Dr. Hamadoun Toure, Secretary General of The International Telecommunications Union.

My respect to the Honourable Ministers of Telecommunications, ICTs, Science and Technologies from Anguilla, Antigua & Barbuda, Barbados, Dominica, Grenada, Jamaica, Montserrat, St. Vincent & The Grenadines, St. Lucia, Trinidad & Tobago and the Turks & Caicos Islands.

It seems like yesterday when I spoke to you last at your 28<sup>th</sup> Annual Conference and Trade Show held in Miami in 2012. Eleven years ago in 2003, I spoke to you at your 19<sup>th</sup> Annual Conference and Trade Show held in this same hotel.

Much, much water has flowed under the Bridge for The Bahamas as well as CANTO over those eleven years.

~~In~~ As I reflect-reflect reflection, what ~~I thought~~ was is most interesting is, the fact, that Mr. Leon Williams our Emcee for today was also the Emcee when I spoke in Miami in 2012 and also when I spoke back in 2003.

I am serving in my third year in my second nonconsecutive term as Prime Minister and Minister of Finance of The Bahamas.

~~Also~~ Within my portfolio is ministerial responsibility for the electronic communications sector, the development of our electronic communications sector policy, as well as the determination for the method of allocating premium spectrum. ~~, under my purview is the responsibility for the Telecom Sector Policy and Spectrum.~~

The portfolio responsibilities complement the autonomous regulatory framework administered by the Utilities Regulation and Competition Authority, known more popularly by its acronym URCA.

Since I will not be here tomorrow morning for the Ministerial Forum, I thought I should give you an update on ~~what has happened~~ recent developments within the communications

sector of The Bahamas as well as challenge your thoughts and deliberations.

The Bahamas has been experiencing an interesting period of evolutionary activity in communications. We have ~~(1)~~ privatized our former telecommunications incumbent, BTC; ~~(2)~~ renegotiated the partnership agreement with the majority stakeholder in the BTC so that majority ownership is restored to the Bahamian people; ~~(3)~~ updated our electronic communications sector policy; and ~~(4)~~ positioned our resources to launch the process in short order for the award of a second cellular licence in the Bahamian mobile market.

Negotiations for re-transfer of 2% of BTC shares

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On April 6th 2011, Cable & Wireless Communications (CWC) acquired 51% of the shares of BTC for a Cash Consideration of \$204 Million.

While in Opposition, I pledged to the Bahamian People during the 2012 General ~~Elections~~ Election campaign that if my Party, the PLP won, ~~that~~ we would renegotiate the ~~Deal~~ deal that was made between ~~Cable & Wireless~~ CWC and the previous ~~Government of The Bahamas~~ administration, now the opposition party.

When I spoke to you in 2012, I ~~told~~ shared with you that I was mandated by the Bahamian people to renegotiate the sale of BTC in order for the Bahamian people to achieve Majority Ownership.

Since CANTO 2012 in Miami, I appointed a Committee, Chaired by Mr. Franklyn Wilson, renowned businessman, an accountant by profession and former Minister of the Government; and –comprising of Mr. Sean McWeeny, a Queen’s Counsel and former Attorney General of The Bahamas; Mrs. Rowena Bethel, a senior barrister-at-law and former regulatory consultant advisor to the Office of the Prime Minister and UN expert in eGovernment; ~~Mr. Sean McSweeny~~ and Mr. Leon Williams, a renowned regional expert in telecommunications. The mandate of this committee was to investigate ~~negotiate with~~ Cable and Wireless Communications (CWC) for the re-transfer of 2% of the shares in BTC, which were owned by CWC, to the Government so that majority ownership in

BTC was restored to the Bahamian people.  
~~the Sale of BTC to Cable & Wireless.~~

It is worthy of note that ~~¶~~this Committee, in its review of the sale of the 51% to CWC has reported that it found no wrong-doings by C&WC in the exercise.

~~However~~Of greater significance though, I am delighted to report, ~~to you and the Bahamian People that~~ the Committee was successful in negotiating an ownership transfer of 2% of the Shares ~~owned by Cable & Wireless~~ in BTC, which were owned by CWC, to a Trust Foundation setup by the Government of The Bahamas.

The negotiations with CWC took place within a cooperative framework and produced satisfactory outcomes for both CWC and the Government. This, Notwithstanding all the



ill-informed and speculative talk you may or may not have heard e.g. such as, that this was a “Face saving deal,” or that an extension to the “exclusivity period” was tied to this. Such comments ~~, it is all~~ were and remain utter nonsense.

I can give absolute assure assurance ~~you~~ that the transfer of 2% of the Shares of BTC ~~that were previously owned by Cable and Wireless to a~~ the Trust Foundation ~~setup by the Government of The Commonwealth of The Bahamas~~ has no such ~~linages or attendant attachments~~ conditions. The Share transfer stands alone.

It is indeed, therefore, my pleasure to report to you that the People of The Bahamas now ~~has~~ have 51% ownership of the Economic

Value of BTC. This makes the People of ~~T~~the Bahamas the economic majority owner of BTC.

~~Cable & Wireless~~ CWC is now the minority owner with Management Control.

I would also like to note that, except for a \$10,000 legal opinion, there was no cost incurred by the Government of The Bahamas to accomplish this.

A full report ~~will be given~~ to the Bahamian people on the definitive arrangement for the transfer of the 2% to the Trust Foundation is pending.

~~I would like to express my appreciation to the Committee of Ms. Rowena Bethel, Mr. Sean McSweeney and Mr. Leon Williams led by Chairman Mr. Franklyn Wilson.~~

An official, public, joint announcement will be made by the Government of The Bahamas and ~~Cable and Wireless~~CWC this month.

### Changing of the guard at BTC

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From January 2013 to present, ~~Cable and Wireless~~CWC has had three different Chairmen guiding BTC. In January of 2013, Mr. David Shaw, CEO of LIME was replaced by Tony Rice, CEO of ~~Cable & Wireless Worldwide~~CWC; and in January 2014, Mr. Tony Rice was replaced by Mr. Phil Bentley, CEO of ~~Cable and Wireless~~CWC. Notwithstanding these changes, all of these leaders worked cooperatively with the Government's negotiating team to reconfigure the ownership in BTC so that Bahamians enjoyed the economic benefit as majority owners.

I mention this, because I particularly also want to thank and publicly acknowledge Mr. Phil Bentley, the current CEO of ~~Cable & Wireless~~CWC, for his boldness, vision and courage in establishing a new direction for BTC.

Firstly, under his direction, the negotiations of the 2% ~~was were done concluded~~ very quickly ~~without any rancor, rudeness or animosity~~expeditiously.

Secondly, he was bold enough to appoint a leading Caribbean, Bahamian Telecommunications Expert Mr. Leon Williams as his Advisor just three short months after taking office.

Thirdly, he articulated his vision and courage further, when just six months after taking office, he appointed a qualified, visionary

Bahamian as CEO to lead BTC. Selecting Mr. Leon Williams demonstrated much much courage on the part of Mr. Bentley.

And Finally, Mr. Bentley is committed to ensuring that the majority of BTC's Board of Directors are Bahamians.

I believe that he should be applauded for this.

### BTC Network challenges

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It would be remised of me not to mention some of the challenges we faced following privatization related to the degradation of BTC's network. Since the acquisition by ~~Cable & Wireless~~CWC in 2011, there ~~has~~have been two National Network Meltdowns. The first was in 2012 and the second was in April 2014. Both resulted in considerable public outcry for

accelerating the introduction of competition in the mobile market.

These meltdowns ~~not only posed a negatively impacted the economic economy impact to the country, but they also~~ and posed a national security risk to the nation, not least because the Government of The Bahamas' ICT network uses BTC's network for carriage.

~~I note this, not to be critical but to put the facts on the table.~~

I am assured and ~~comfortable~~ confident that Chairman Phil Bentley along with his CEO, Leon Williams and their teams, will address these plaguing network issues.

To demonstrate his commitment, on Thursday of last week while he was visiting Nassau, Mr. Bentley approved ~~\$6556~~ Million in Capital Development to be spent by BTC this year.

This is the largest single year Capital Development Budget to be approved for BTC.

These monies will be spent to address the Mobile Drop Calls, the slow Data Speeds -and Fixed Lines.

I am also told that BTC will begin its Trials on IPTV by Christmas of this year. The Alpha and Beta Testing will begin in the Family Islands with a 2015 Roll out in Nassau.

~~Award of a Second Licenceward of a second cellular licence~~

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My Government is committed to the liberalization of the Mobile Sector. To this end, I have appointed a Liberalization Task Force headed by Ms. Ruth Millar former Financial Secretary of The Bahamas Government and former Chairman of the BTC Privatization Committee during the period 2000-2007. The

**Task Force ~~is populated by~~ also draws heavily on indigenous Bahamian expertise from both our public and private sectors, which in turn is supported by relevant international experts.**

**The Task Force is in the final stages of finalizing a Request for Proposal (RFP) ~~so as to invite that will invite~~ potential Bidders for the second mobile license. The RFP will include details of the selection process and criteria to be adopted; including:**

- Feasibility of business plan;**
- Roll-out timeframes and coverage;**
- Quality of service commitments;**
- Ownership structure;**
- Technical and financial capability;**
- Track record and experience.**

**At the close of the RFP submission period, a two-phased competitive selection process will**

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take place with Phase 1 consisting of a technical and financial assessment; and Phase 2 consisting of a spectrum auction that will be carried out by URCA.

I would also take this opportunity to ~~announce~~ note that ~~that~~ my Government ~~is expected~~ to ~~has~~ the option to consider the ~~issue~~ issuance of a third Mobile License ~~in the year~~ after ~~April~~ 2016 ~~April~~ 2016.

### The Digital Strategy

In April 2014, the Government released its updated Electronic Communications Sector Policy. My Government is committed to providing a Best-in-Class ICT Infrastructure to the residents and businesses of this archipelagic nation.

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The Government, recently, through its central information technology department, hosted a mission from the United Nations to assist with formulating a strategic plan that will take greater advantage of information and communications technologies to support a programme programmer of state modernization.

~~It is our intention to strengthen our Regulatory Regime and establish a functioning Utility Appeals Tribunal.~~

~~And Modernization.~~

And so in closing, I challenge the members of CANTO this week during your deliberations to Dare to Dream and tell us how to bring those dreams to reality.

Dare to dream and provoke us, Policy Makers, on the way forward to reducing the Digital

**Divide in our separate Countries and in the Region as a whole.**

**Dare to dream and provoke Policy Makers on how we should prepare these small island nations that once depended on the Banana and Sugar Plantations for their survival to evolve to an ICT mecca of Assembly lines, Data Centres, IXPs and become the Caribbean Silicon Valley.**

**Dare to dream and tell us how each national Internet Exchange can be connected within our Region so that our ICT traffic can stay in the Region and not have to be exported to the world and then reimported to the Region enhancing security and speed and reducing cost.**

**Dare to dream about that day in the future when there will no longer be Chalkboards in**

our classrooms rather Smart Boards and every child attending school starting at Kindergarten will have a Tablet and Internet access not just in public libraries and at School but also at home.

Dare to dream and tell us the Policy Makers by what means we should achieve the Millennial Goals of the United Nations by 2015 and prepare for ~~the~~ the sustainable development goals beyond that time. Provoke us to help Dr. Toure achieve his vision before he demits office as the first ITU Secretary General of Colour.

Dare to dream and tell us Policy makers how ICTs can help us all reduce our national Debts.

Dare to dream how Caribbean Nationals can best benefit from the redefine Maslow Hierarchy of needs Law where Generation X

sees those needs as Food, and Shelter etcetera and Generations Y, Z and Alpha sees Maslow's needs as untethered, communications, Internet in their pockets and TV everywhere.

Dare to dream and tell us Digital Immigrants how to better understand the Digital Natives in our society.

CANTO, you have been inserting the word 'Broadband' in your theme for the last four years and so I challenge you to make your CANTO song a reality 'many people one voice.'

You are established in 33 countries with 120 Members on 4 Continents, as providers of ICTs, in your hands rest the sustainable ~~rests~~ ~~the sustainable~~ growth of the 40 Million people of this Caribbean Region. Their quality of life can be shaped by you.

Dare to Dream !!!.

**God bless you all in your endeavors throughout the course of this week of conferences.**