



Eastern Caribbean ICT CARANA/USAID Initiative

Contract #: OUT-PCE-I-809-98-00014-00

Eastern Caribbean Telecommunications Authority

(ECTEL)

Ministerial Retreat

ACKNOWLEDGEMENTS

The consultant acknowledges the contributions made by the Government of St. Kitts and Nevis, Deputy Governor Alleyne of the Eastern Caribbean Central Bank, Hon. Minister Callixte George of St. Lucia, Dr June Soomer of the Eastern Caribbean Central Bank, CARANA, USAID, the staff of ECTEL and all participants toward the success of the retreat.

EXECUTIVE SUMMARY

The Council of Ministers of the Eastern Caribbean Telecommunications Authority (ECTEL) arranged this retreat to define a five-year strategic vision for ECTEL focusing on the continuing liberalization of the telecommunications sector. It should also deepen the understanding and value of harmonization, collective action and the fundamental principles of the treaty establishing the ECTEL. The intervention will also review critical issues affecting the sector and relations between ECTEL and the NTRCs.

The design of the retreat was influenced by prior consultations with key stakeholders who displayed unanimity of purpose and clarity of intent to provide an opportunity for ventilation on issues of structure, authority, accountability and sustainability.

A suggestion by the consultant resulted in use of the Eastern Caribbean Central Bank as a benchmark institution. Its Deputy Governor delivered the feature address in which an important parallel between the Bank and ECTEL was drawn in the context of service to the community, the one with a common currency and monetary institution, the other with telecommunications services and policy.

Statements of expectations by participants mostly pointed to a deviation from some original position evident in calls for review and re-examination of the Mission. This and queries as to whether ECTEL has met its mandate, clearly indicated concerns about the continuing relevance of the original Vision.

ECTEL's creation facilitated cost reduction and made available a wider range of services thereby increasing knowledge and exposure through greater connectivity and productivity.

Liberalisation of the telecommunications sector; the thrust to diversify the economy; enactment of relevant legislation harmonized with the regulations; granting of licences; increased investment; new employment opportunities and increased litigation were the significant industry events. Other noteworthy events were:

- The ability of Governments of the Contracting States to collect licences fees and spectrum fees;
- The entry of competitors in almost all ECTEL contracting states;
- Lower rates for mobile and international GSM Technology;
- Significant changes in the tariff structure; and
- Articulation of ECTEL's telecommunications interest in international negotiations.

A number of contrasting trends now characterize the sector. On the one hand the worsening economic climate has triggered widespread consolidation and conservatism in outlook; on the other, market expansion continues driven by double-digit growth in the Internet and mobile services bolstered by continuing intensification of competition.

Against this background, the Contracting States are pursuing goals of market liberalization supported by the regional regulatory authority. The success of the regulatory process will be measured against international best practices.

A key activity during the retreat was self-assessment and analysis. Each NTRC and the ECTEL Secretariat made presentations in which they highlighted their achievements, assessed their strengths and weaknesses and identified performance gaps vis-à-vis the stated objectives of the Treaty establishing the Authority. Analysis of the current situation identified these gaps for closure in the short and medium terms.

The following Vision Statement for ECTEL was agreed based on review and much deliberation of the six submissions:

“To be a proactive Regulatory System providing the leadership and professionalism that ensures a fully liberalized telecommunications environment, resulting in connectivity and socio-economic opportunities for the citizens of the OECS through fair independent and transparent processes”

In developing the strategic programme priorities of ECTEL, it was recognised that the overarching goal of the system through its constituent parts is facilitation of an enabling liberalized telecommunications environment. In pursuance of this objective it became evident that some prioritization had to be effected. After much ventilation of key programming areas to arrive at the desired result, two foundation blocks of enabling regulatory machinery emerged:

Institutional Capacity: which had to be prioritized both at the level of the Secretariat and the individual NTRCs, and **Harmonization of the Legislative Regime:** which was an essential variable, as it was only through a harmonized legal framework that true integration could be achieved.

A proactive *licensing system*, equitable *interconnectivity* agreements and prudent *management of the spectrum resources* have been articulated as the core outcomes expected by the Contracting States, as these are seen as critical to the social and economic development and competitiveness of the sub-region.

The deliverables of *timely advice*, cost effective *dispute resolution support*; user-friendly *information management and record management services* and accurate, timely *financial management systems* are all programming priorities.

Ultimately, everything ECTEL stands for must redound to benefit of the publics it serves, accordingly its actions must be independent, not from law or country policy but from all market participants to allow impartial and transparent decision making. Of equal importance is its accountability, given its extensive powers as a regulating entity. An effective way of discharging this public obligation is by conducting public hearings, requesting written comments and adopting a consultative approach before decisions are taken.

In order to deliver on the strategic priorities as identified above in the strategic framework, three main strategic action plans have been developed:

- Capacity building and human resource development;

- Corporate communications, informatics and records management; and
- Financial management and reporting.
- Action plans detailing action steps for each of these three strategic focus areas were developed from the output of syndicate groups presented in plenary for discussion and adoption.

Having analysed the progress made by the NTRCs and the Secretariat, it was recognised that considerable progress has already been made toward achievement of the objectives set out in the treaty. The level of success varies considerably among each of the entities. The overarching goal of a liberalized environment must rest on a foundation of harmonised legislation. In short, some Contracting States are required to fast-track the legislative reform process.

The vexing issues of communications, and records management must be resolved forthwith in a systematic way with the support of ICT.

The financial viability of the Authority cannot be achieved without the political will and commitment to specific and equitable performance with regard to the establishment of an ECTEL Fund in each of the Contracting States with the appropriate protocols regarding the remittance process.

ECTEL as the coordinating and regulating agency must position itself as a node for international cooperation and become an efficient tool to allow OECS countries to develop their telecommunications and information technologies markets. In this context, the Authority must develop three main courses of action:

- Exchanging information on regulatory experience through interaction with and membership in Regional bodies (CARICOM, CTU, CANTO, OCCUR); national bodies (FTC, OUR, PUC, RIC); and international bodies (ITU, OFTEL, NAMPA);
- Cooperating on a more operational level, for example with regards to interconnection charges or access of new entrants to international facilities; and exchanging views and, where appropriate, coordinating OECS position on anti-competitive issues.

LIST OF ACRONYMS

CANTO	Caribbean Association of National Telecom Organizations
CARICOM	Caribbean Community
CTU	Caribbean Telecommunications Union
C&W	Cable and Wireless
ECCB	Eastern Caribbean Central Bank
ECTEL	Eastern Caribbean Telecommunications Authority
FTC	Fair Trading Commission
GSM	Global System for Mobile Communications
GDP	Gross Domestic Product
ITU	International Telecommunications Union
NAMPA	North American Numbering Plan
NTRC	National Telecommunications Regulatory Commission
OECS	Organization of Eastern Caribbean States
OFTEL	Office of Telecommunications
OOCUR	Organization of Caribbean Utilities Regulators
OUR	Office of Utilities Regulation

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1.0 INTRODUCTION

Five Member States of the Organisation of Eastern Caribbean States (OECS) (the Commonwealth of Dominica, Grenada, St. Kitts-Nevis, St. Lucia, and St. Vincent and the Grenadines), collectively secured funding from the World Bank for a project aimed at laying the groundwork for the liberalisation of the telecommunications sector. The process involved extensive legal technical and economic studies that formed the basis for the establishment of the Eastern Caribbean Telecommunications Regulatory Authority (ECTEL) by treaty in May 2000. The ECTEL comprises Council of Ministers, a Board of Directors and a team of specialists. The Secretariat was established in St. Lucia. The structure of ECTEL provided for the establishment of National Regulatory Commissions (NTRC) in each of the contracting states with responsibility for regulation at the national level.

During the first two years of the operation of ECTEL, a series of challenges emerged requiring review and re-examination of various aspects of the operation of the organisation. Among these are legal and administrative matters related to the management of licences; the relations between the NTRCs and ECTEL, the allocation and management of resources within the Secretariat; and the relations between ECTEL and the publics in the region.

2.0 BACKGROUND

A retreat was proposed by the Council of Ministers with the following objectives:

- To define a strategic vision and focus for the ECTEL Regional Regulatory Regime for the next five years, with special attention paid to the continuing liberalization of the telecommunications sector;
- To deepen the understanding and value of harmonization, collective action and the fundamental principles of the treaty establishing the ECTEL;
- To review the critical administrative, legal and financial issues related to the management of the telecommunications sector;
- To review the relations between ECTEL and the NTRCs with reference to the implementation of all the provisions of the treaty;
- To clarify the roles of the various stakeholders in the regulatory process;
- To re-examine the concept of the single telecommunications space in view of the recent experiences related to licensing at the national and regional level, and further to facilitate the charting of a way forward for a regional regulatory regime.

3.0 TERMS OF REFERENCE

The Terms of Reference indicated a series of tasks and deliverables as outlined below:

- Diagnosis of the current situation through consultations with the Management Staff, Council of Ministers, Commissioners, and Members of the Board;
- Review documentation such as the ECTEL Treaty, Telecommunications Acts, and Historical Documents related to the OECS Reform Project and the setting up of ECTEL;
- Design and planning of the retreat;
- Facilitation of the retreat;
- Preparation of the report with outputs as follows:
 - a. Statement of strategic vision;
 - b. List of core strategic programme priorities related to the regulatory functions;
 - c. List of core elements for a strategic plan;
 - d. Framework and strategic guidelines for relations with national regional and international regulatory agencies;
 - e. Framework and guidelines for financial resources management (funding and resource allocation).

4.0 PRE-RETREAT ACTIVITIES

The Consultant had consultations with the Chairman of the Council Hon. Minister Gerol Thompson; Hon. Minister Felix Finisterre from St. Lucia the incoming Chairman of the Council; Hon. Minister Sam Condor of St. Kitts and Nevis, members of the Board of Directors of ECTEL, the Chairman of the St. Lucia NTRC Mr. Eldon Mathurin and commissioners; Members of the Dominica NTRC; the Chairman of the Grenada NTRC Dr. Spencer Thomas; a cross-section of NTRC coordinators as were available and the staff of the Secretariat.

These consultations were intended to gather data from the stakeholder group that would influence the design of the retreat. There was unanimity of purpose and clarity of intent on the part of all consulted. It was felt that the retreat was necessary to provide stakeholders with an opportunity to ventilate on issues of structure, authority, accountability and sustainability.

In conducting the desk review, the consultant expressed the view that a regional organisation that was a successful model of integration should be used as a benchmark. This suggestion was accepted by the acting Managing Director and the Eastern Caribbean Central Bank was proposed. It was fortuitous that the Headquarters of the Bank is in St. Kitts where the retreat was being held. Dr. June Soomer of the Office of the Governor was consulted and she advised on the appropriateness of the use of the Bank as a model; accordingly, an invitation was sent to the Governor who arranged for the Deputy Governor to deliver the feature address on his behalf.

5.0 THE RETREAT (Some Highlights)

In his feature address, the Deputy Governor of the ECCB drew important parallels between the Bank and ECTEL. Noteworthy among them were that ECTEL, in much the same way as the ECCB represents the final stage in the creation of an entity to serve its community with a common currency and a common monetary institution; must be regarded similarly in the context of telecommunications services and policy.

5.1 Methodology

The retreat adopted a typical strategic planning methodology which may best be described as “looking in, looking out, looking back, looking ahead”. Participants were divided into small groups for most of the working sessions. The composition of the groups, however, was not always the same. For example, the retreat began with participants being grouped by country to get a better understanding of national differences in perspective and expectations of the retreat as an activity in itself. The ECTEL Secretariat and representatives of the OECS Secretariat were placed in one group. Participants were asked to (i) indicate their expectations and whether they felt the retreat was likely to be useful in the first place. Subsequent combinations were asked to (ii) examine the important factors and considerations leading up to the formation of ECTEL and the past performance of the Authority, (iii) to carry out self-assessments and analysis, (iv) to undertake a stakeholder analysis to identify the possible interests of several stakeholders, (v) to review internal structure and organisation within the “ECTEL System” and (vi) to engage in strategic visioning and the preparation of vision statements. A “drafting team” was later selected made up of one representative from each of the original groups to (vii) refine the vision statement based on all of the submissions.

5.2 Expectations

Participants were placed in groups arranged according to countries they represented, with the staff of the Secretariat as a separate and distinct group.

There was significant variation in the expectations of the outcomes of the retreat from the five member States and the ECTEL Secretariat:

Dominica: Hoped for recommitment to the goal of a single telecommunications space characterized by competition, improved quality of service, reduced prices and a fair, independent regulatory environment

Grenada: Favored a review and examination of the vision to remain relevant; re-ignite the passion and commit to success. Additional considerations were sustainability and advancement of the overall objective for growth and development.

St. Kitts and Nevis: Had concerns about ECTEL's mandate and its relationship with the NRTCs and Governments, which they hoped would be clarified.

St. Lucia: Looked forward to the development of an operational plan, which will enable each aspect of the Regulatory Machinery to meet its original responsibilities and objectives, with particular attention to the crucial importance of the public interest.

St. Vincent and the Grenadines: Hoped ECTEL would be able to smoothen the kinks in the regulatory process, achieve a framework for greater cohesiveness while recognizing the distinct roles of the various parties, with a view of charting a new vision.

The ECTEL Secretariat: Intended identification and exposition of the key issues and an examination of approaches to address these issues in a manner to further develop a unified and efficient structure.

The statements of expectations mostly point to a deviation from some original position evident in calls for review and re-examination of the Mission. This and the queries as to whether ECTEL has met its mandate, clearly indicated concerns about the continuing relevance of the original Vision.

5.3 Historical Highlights

In order to chart the desired future, it was deemed appropriate and essential to reflect on the historical highlights of ECTEL's existence while scanning significant developments in the regional and global environment.

These were principally the commencement of negotiations with Cable and Wireless on liberalization in 2000 and eventual breakdown in 2001. Other events of significance were the establishment of the ECTEL Secretariat; the lobby from new providers; the joint meeting on Price Caps; the signing of the Agreement in May 2002; interconnection negotiations and the Declaration of Dominance in some Member States.

The entry of New Providers, lawsuit decisions and the growth of mobile cellular services; also merit recognition.

ECTEL's creation facilitated cost reduction in some instances (cheaper international calls); made available a wider range of services thereby increasing knowledge and exposure through greater connectivity and productivity.

5.4 Regional Achievements in the Sector

Liberalisation of the telecommunications sector; the thrust to diversify the economy; enactment of relevant legislation harmonized with the regulations; granting of licences; increased investment; new employment opportunities and increased litigation were the significant industry events. Other noteworthy events were:

- The ability of Governments of the Contracting States to collect licences fees and spectrum fees;
- The entry of competitors in almost all ECTEL contracting states;
- Lower rates for mobile and international GSM Technology;
- Significant changes in the tariff structure; and
- Articulation of ECTEL's telecommunications interest in international negotiations.

6.0 OUTPUTS OF THE RETREAT PROCESS

6.1 The International Context

A number of contrasting trends now characterize the telecommunications sector. On the one hand the worsening economic climate has triggered widespread consolidation and conservatism in outlook; on the other hand, market expansion continues driven by double-digit growth in the Internet and mobile services bolstered by the continuing intensification of competition. Notwithstanding consolidation and adjustment of market strategies hopefully to restore margins, a further decline in revenues is expected in the sector.

Against this background, the Contracting States are pursuing the goals of market liberalization supported by the regional regulatory authority. The success of the regulatory process will be measured against the international best practices measures of:

- The extent to which the market is liberalized, the index of this is the orderly entry of new providers;
- The increase in fiscal revenue i.e., the ratio of telecommunications revenues as a share of GDP;
- The overall reduction of telephone charges, i.e. the cost of calls per second, connection charges; and
- Provision of Universal Service.

6.2 Internal Analysis

A key activity during the retreat was self- assessment and analysis. Each NTRC and the ECTEL Secretariat made presentations in which they highlighted their achievements, assessed their strengths and weaknesses and identified performance gaps vis-à-vis the stated objectives of the Treaty establishing the Authority. Analysis of the current situation identified these gaps for closure in the short and medium terms as:

- Non-implementation of a regional Price Cap Regime which exposes Contracting States to a 20% domestic (retail) rate increase by Cable & Wireless after 1st March, 2004;
- Non-establishment by Contracting States of the Universal Services Fund, a requirement under the Treaty establishing the Authority;
- Insufficient public awareness/education;
- Reported lack of clarity in arrangements for the lodgment and remittance of Spectrum Fees;
- Inadequate staffing of the NTRCs;
- Absence of communication protocols to improve information flow between ECTEL and the NTRCs;
- Need for increased support and quicker response from ECTEL with respect to Regulations required by the NTRCs and dispute resolution.

Table 1. below gives details of the analysis:

Table-1: Internal Analysis Matrix

OBJECTIVE	ECTEL SECRETARIAT	DOMINICA	GRENADA	ST. KITTS/NEVIS	ST. LUCIA	ST. VINCENT & GRENADINES
<ul style="list-style-type: none"> • Open entry, market liberalisation and competition in telecommunications. 	<ul style="list-style-type: none"> • Advice and Evaluation of over 140 licenses from various global players for operations in Contracting States. 	<ul style="list-style-type: none"> • Competition in place; • Interconnection precedence through the Marpin Case; • Several licences granted e.g. AT&T, SAT; and Orange; • C&W declared as Dominant service provider; • Applications for Licences being considered. 	<ul style="list-style-type: none"> • Open entry is fully implemented; • Five licences issued; • Competition is growing. 	<ul style="list-style-type: none"> • Applications received. Licences approved but no start up yet. 	<ul style="list-style-type: none"> • Have completed licensing procedure; • Issued Individual Licences for Mobile Services to 3 providers including C&W Cellular; • Operationalize licences issued to New Entrants; • Secured Interconnection Agreements between New Entrants and the Incumbent. • Seen tremendous growth in mobile market; • Subjected to fierce competition; • Expansion in use of Internet; • Declared the Incumbent Dominant in provision of certain services. 	<ul style="list-style-type: none"> • Have completed licensing procedure; • Issued Individual Licences for Mobile Services and Internet to new providers and the incumbent • Operationalize licences issued to New Entrants; • Secured Interconnection Agreements between New Entrants and the Incumbent. • Recommended the issue of a number of class licenses • Seen tremendous growth especially in mobile market;

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OBJECTIVE	ECTEL SECRETARIAT	DOMINICA	GRENADA	ST. KITTS/NEVIS	ST. LUCIA	ST. VINCENT & GRENADINES
<ul style="list-style-type: none"> • Harmonised policies for telecom on a regional level. 	<ul style="list-style-type: none"> • Developed harmonised model legislation; • Developed first draft of Regional Numbering Plan; • Developed Regional Numbering Database; • Developed license template; • Class license developed. 	<ul style="list-style-type: none"> • Legislation in place 	<ul style="list-style-type: none"> • Legislation in place 	<ul style="list-style-type: none"> • Legislation in place but requires amendment to be fully in line with other states. • Regulations gazetted. 	<ul style="list-style-type: none"> • Consensus on Regional Telecom Policy; • Attempted to integrate National Policy with Regional Policy; • All Regulations and directives promulgated and pursued on ECTEL' advice; • Number of Regulations outstanding; • Regulations received have been gazetted. 	<ul style="list-style-type: none"> • Legislation in place and Regulations published.
<ul style="list-style-type: none"> • Harmonised regulatory regime in telecom. 	<ul style="list-style-type: none"> • Developed Regional Spectrum Management Plan; • Developed Frequency Allocation Plan. 	<ul style="list-style-type: none"> • Regulations received and gazetted. 	<ul style="list-style-type: none"> • Regulations received and gazetted. 	<ul style="list-style-type: none"> • Regulations received. 	<ul style="list-style-type: none"> • Have enshrined Treaty establishing ECTEL; • Formed and empowered the NTRC; • Laws have been passed; • Annual Reports have been prepared and laid before Parliament; • Established their Web Site; • Await work on Administration Manual – this will provide protocol for communication procedures and for complaint handling; • Should be a harmonised manual. 	<ul style="list-style-type: none"> • Regulations received

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OBJECTIVE	ECTEL SECRETARIAT	DOMINICA	GRENADA	ST. KITTS/NEVIS	ST. LUCIA	ST. VINCENT & GRENADINES
<ul style="list-style-type: none"> Fair pricing and use of cost-based pricing methods by telecom providers. 	<ul style="list-style-type: none"> Developed Price Cap consultation Paper; Developed license and Spectrum Fee structure; Developed fee collection mechanism; Evaluated and recommended submarine Cable licences. 	<ul style="list-style-type: none"> No progress reported but working with ECTEL 	<ul style="list-style-type: none"> No progress reported but working with ECTEL. 	<ul style="list-style-type: none"> No progress reported but working with ECTEL. 	<ul style="list-style-type: none"> Trunk calling system has been removed; Tariff structure has been changed; Uniform pricing within OECS; Uniform pricing between OECS and C&W countries; Uniform pricing between OECS and Caribbean; Uniform pricing between OECS and outside world; Billing system has been changed; For Mobile Services CPP has been introduced. 	<ul style="list-style-type: none"> No progress reported but working with ECTEL.
<ul style="list-style-type: none"> Introduction of advanced telecom technologies and an increased range of services. 	<ul style="list-style-type: none"> Gained membership in NAMPA. Allocated and Assigned numbers to operators 	<ul style="list-style-type: none"> Recommended several Class Licences. 	<ul style="list-style-type: none"> Growth reported in advanced telecom and increased range of services. 		<ul style="list-style-type: none"> GSM introduced; Bundling of services in new packages; Generally a wider range of services made available to consumers. 	<ul style="list-style-type: none"> Working on Licensing Broadcasting Stations under the Telecom ACT of 2001

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<ul style="list-style-type: none"> • A Universal Service to ensure widest possible access to telecom at an affordable rate by people of Contracting States and to enable such people to communicate over and efficient and modern telecomm network; 		<ul style="list-style-type: none"> • No progress reported. 	<ul style="list-style-type: none"> • No progress reported 	<ul style="list-style-type: none"> • No progress reported 	<ul style="list-style-type: none"> • Have not made much progress, neither have relevant regulations been developed. 	<ul style="list-style-type: none"> • No progress reported
<ul style="list-style-type: none"> • Fair competition practices by discouraging anti-competitive practices by telecom providers 	<ul style="list-style-type: none"> • Anti-competitive legislation needs to be drafted in Contracting States. 	<ul style="list-style-type: none"> • No anti-competitive regulations; • Declaration of dispute • Declaration of dominance by C&W in certain services 	<ul style="list-style-type: none"> • No progress reported 	<ul style="list-style-type: none"> • No progress reported 	<ul style="list-style-type: none"> • Have not made much progress, neither have relevant regulations been developed. 	<ul style="list-style-type: none"> • No progress reported

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<ul style="list-style-type: none"> Public consultations in the development of telecom. 	<ul style="list-style-type: none"> Published Guidelines for Consultation on Public Consultations 	<ul style="list-style-type: none"> Held Consultation on Public Consultation 	<ul style="list-style-type: none"> No progress reported 	<ul style="list-style-type: none"> Had consultation on consultations but yet to conduct consultation on significant market power to determine dominance. 	<ul style="list-style-type: none"> Have commenced the process – had consultations on public consultations; Guidelines have been published; About to embark on a series of further consultations needed for implementation of Price Cap. 	<ul style="list-style-type: none"> Preparation for Consultation on Public Consultations
<ul style="list-style-type: none"> Staffing of the NTRCs. Human resource development 	<ul style="list-style-type: none"> 6 Professional Staff and 7 support in place; Gaps in Corporate Communication Informatics and Records Management. 	<ul style="list-style-type: none"> Core Staff in place but capacity not yet at adequate level; Staff still on secondment 	<ul style="list-style-type: none"> Five staff: Director, 2 Engineering, secretary, and office assistant. No progress reported with HR development. 	<ul style="list-style-type: none"> One professional and one support staff. NTRC is still part of the Ministry. 	<ul style="list-style-type: none"> Now have 2 professional plus 2 clerical staff 	<ul style="list-style-type: none"> Six staff in place
<ul style="list-style-type: none"> Public education 	<ul style="list-style-type: none"> Website in place but urgent upgrade needed 	<ul style="list-style-type: none"> No progress reported 	<ul style="list-style-type: none"> No progress reported 	<ul style="list-style-type: none"> No progress reported 	<ul style="list-style-type: none"> Concerned about level of public education. 	<ul style="list-style-type: none"> Plan to focus on public Education
<ul style="list-style-type: none"> Dispute resolution and litigation. 	<ul style="list-style-type: none"> Provide advice on L-litigation with C&W. 	<ul style="list-style-type: none"> Declaration of dispute re: tariff increase by C&W with respect to May 2002 Agreement. 	<ul style="list-style-type: none"> No progress reported with dispute resolution. In litigation with C&W re complaint against a Fixed Line Operator. 	<ul style="list-style-type: none"> No progress reported 	<ul style="list-style-type: none"> No progress reported. 	<ul style="list-style-type: none"> No progress reported

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<ul style="list-style-type: none"> • Price Cap regime 	<ul style="list-style-type: none"> • Paper developed to sensitize NTRCs has been circulated. Responses must be received and position agreed before 1st March 2004 to avert risk of C&W imposing further 20% increase on domestic (retail) rates; • With World Bank support and Canadian Consultant in process of developing mechanisms for Price Cap and implementing a Price Cap regime – Paper circulated to ECTEL Board and NTRCs providing update and outlining tasks to be completed. 	<ul style="list-style-type: none"> • Cooperating fully with ECTEL 	<ul style="list-style-type: none"> • No progress reported. 	<ul style="list-style-type: none"> • Reported litigation of a Price Cap case by Attorney General; • Need to conduct public consultation on Price Cap Regime. 	<ul style="list-style-type: none"> • About to embark on series of public consultations re: implementation of Price Cap. 	<ul style="list-style-type: none"> • No progress reported

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<ul style="list-style-type: none"> • Collection of fees 	<ul style="list-style-type: none"> • Developed License and Spectrum Fee Structure; 	<ul style="list-style-type: none"> • Initial Spectrum Fees collected from some providers and repatriated; • Problems with requests from providers for preferential treatment; • Funding difficulties expressed by providers. 	<ul style="list-style-type: none"> • No progress reported 	<ul style="list-style-type: none"> • Established special fund for placement of Spectrum Fees; • Published Fee Schedule. 	<ul style="list-style-type: none"> • No progress reported 	<ul style="list-style-type: none"> • No progress reported
<ul style="list-style-type: none"> • Spectrum management 	<ul style="list-style-type: none"> • Regional Spectrum Plan has been developed and distributed. 	<ul style="list-style-type: none"> • Limited monitoring caused by lack of equipment and staff. 	<ul style="list-style-type: none"> • No progress reported 	<ul style="list-style-type: none"> • Awaiting Regional Spectrum Plan; • Spectrum Invoices to be clarified; • Staff to be trained to operate Spectrum managing and monitoring equipment. 	<ul style="list-style-type: none"> • No problems reported 	<ul style="list-style-type: none"> • Limited monitoring; • Tried to resolve a number of problems; Need to establish a Spectrum Plan and procure Spectrum Monitoring Equipment.

6.3 Statement of Strategic Vision

The following Vision Statement for ECTEL was agreed based on review and much deliberation of the six submissions:

“To be a proactive Regulatory System providing the leadership and professionalism that ensures a fully liberalized telecommunications environment, resulting in connectivity and socio-economic opportunities for the citizens of the OECS through fair independent and transparent processes”

The original six submissions are presented below:

- To be a Multi-State Model in Telecommunications Regulation providing an unmatched framework for access, affordable and quality services.
- ECTEL aims to be the principal sub-regional body which provides guidance advice and leadership to the sub-regional Telecommunications Regulatory mechanism, based on:
 - a) The Highest achievable level of professional competence;
 - b) .Application of the best practices in terms of Management, Finance, Technological Application and Resource development;
 - c) Consistent consideration of both the sub-regional and national interests; and
 - d) The greatest possible contribution to the Social and Economic Development of the Region.
- A highly competent and efficient regulatory organisation achieving maximum coordination and optimal harmonization among ECTEL contracting States and working in the public interest in a fully liberalized and highly competitive sector.
- To facilitate Universal Telecommunication Services throughout the OECS - all at an affordable cost without compromising performance.
- To be a model Telecom Regulatory System providing the highest quality of service to advance the Economic and Social welfare of the citizens of the OECS.

- To be a proactive and forward looking telecommunications regulatory organization with clear and transparent processes which is respected by its stakeholders, and has the admiration of the world at large.

6.4 Core Strategic Programme Priorities

In articulating and coming to common ground on the strategic programme priorities of ECTEL, it was clearly recognised that the overarching goal of the ECTEL system through its constituent parts is the facilitation of an enabling liberalized telecommunications environment. In pursuance of this objective it was recognised that some prioritization had to be effected. After much ventilation of key programming areas to arrive at the desired result, it became clear that the two foundation blocks of enabling regulatory machinery were:

Institutional Capacity

This had to be prioritized both at the level of the Secretariat and the individual NTRCs. The appropriate strategic human resource management mechanisms have to be adopted, and capacity and competency gaps identified and filled so that the institutions can deliver on their mandates at the national level and the level of functional capacity and responsiveness installed at the Secretariat.

Harmonization of the Legislative Regime

This was deemed an essential variable, as it was only through a harmonized legal framework that true integration could be achieved.

A proactive *licensing system*, equitable *interconnectivity* agreements and prudent *management of the spectrum resources* have been articulated as the core outcomes expected by the Contracting States, as these are seen as critical to the social and economic development and competitiveness of the sub-region.

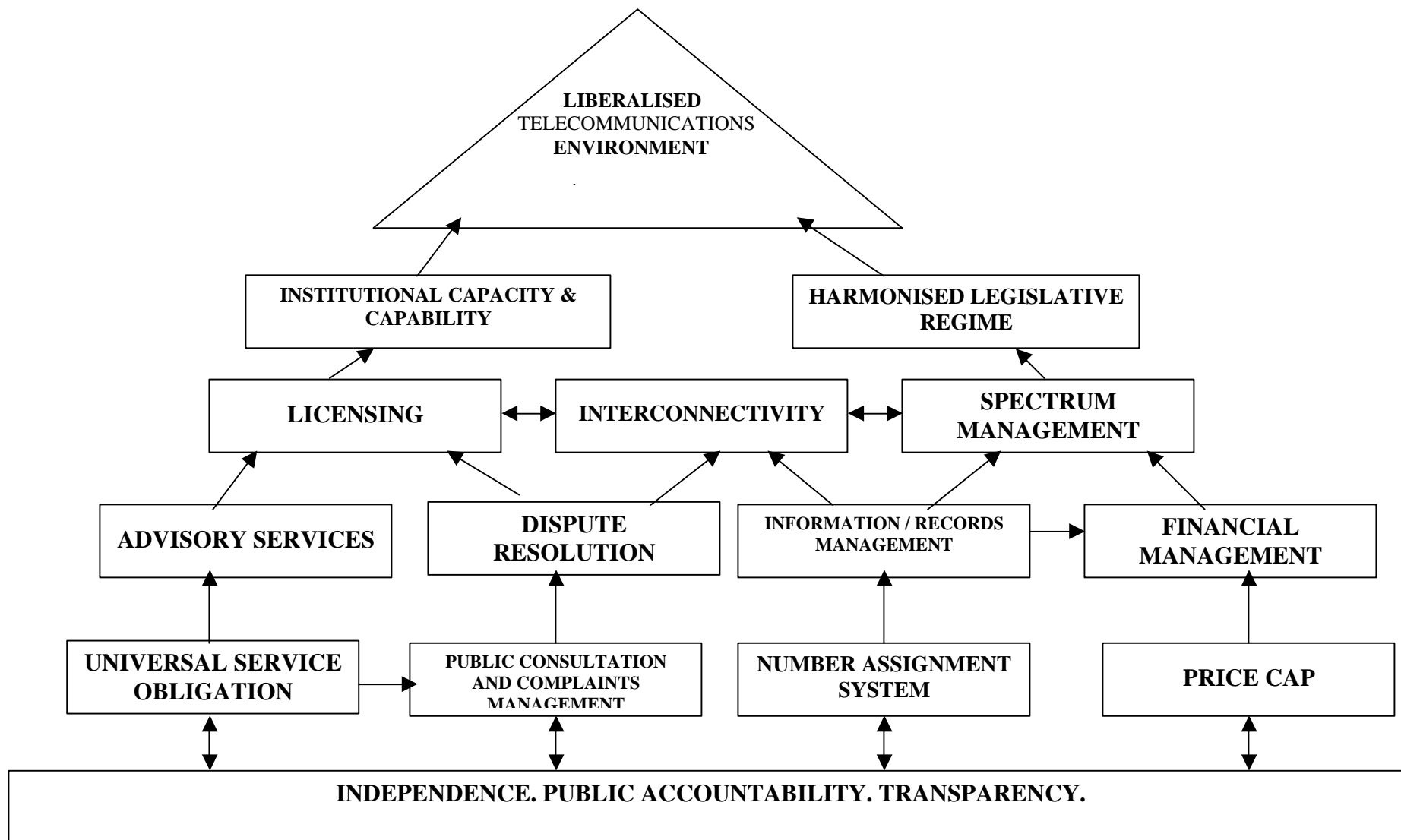
The deliverables of *timely advice*, cost effective *dispute resolution support*; user-friendly *information management and record management services* and accurate, timely *financial management systems* are all programming priorities.

Independence, Public Accountability and Transparency

Ultimately, everything that ECTEL stands for must redound to benefit of the various publics that it serves, accordingly its actions must be independent, not from law or country policy but from all market participants to allow impartial and transparent decision making. Of equal importance

is its accountability, given its extensive powers as a regulating entity. An effective way of discharging this public obligation is by conducting public hearings, requesting written comments and adopting a consultative approach before decisions are taken.

Figure 1: ECTEL CORE STRATEGIC PROGRAMME PRIORITIES FOR THE REGULATORY FUNCTION.



In order to deliver on the strategic priorities as identified above in the strategic framework, three main strategic action plans have been developed:

- Capacity building and human resource development;
 - Corporate communications, informatics and records management; and
 - Financial management and reporting.
- Action plans detailing action steps for each of these three strategic focus areas are detailed below. The feedstock for these action plans arose as a result of the output of syndicate groups, which were presented in plenary for discussion and adoption.

6.5 Strategic Action Plans

Programme Area/Strategic Action(s)	Target Date	Action By:
1.0 CAPACITY BUILDING/HUMAN RESOURCE DEVELOPMENT		
1.1 Develop Indicative Inventory of competencies for ECTEL Secretariat	Nov. 2003	ECTEL Board
1.2. Estimate skills/competency gaps for ECTEL Secretariat	Nov. 2003	ECTEL Board
1.3 Negotiate short/medium term technical assistance to fill competency gaps	Dec. 2003	ECTEL Board
1.4 Articulate Human Resource Development Plan for long term human resource capacity at ECTEL Secretariat	Nov. 2003	ECTEL Secretariat
1.5 Clarify role requirements of Managing Director	Nov. 2003	ECTEL Board
1.6 Recruit and appoint Managing Director	Nov. 2003	ECTEL Board
1.7 Identify gaps in Corporate Communications, Information Management and Records Management	Nov. 2003	ECTEL Directorate
1.8 Identify target organization and competency map for NTRCs	Nov. 2003	ECTEL Secretariat
1.9 Develop Human Resource Development Plan for NTRCs	Jan. 2003	ECTEL Secretariat/ NTRCs

Programme Area/Strategic Action(s)	Target Date	Action By:
2.0 CORPORATE COMMUNICATIONS INFORMATICS AND RECORDS MANAGEMENT		
2.1 Develop information protocols identifying content, frequency and distribution with regard to meetings, decisions, responsibility and response times.	Immediately	ECTEL Directorate
2.2 Recruit and appoint Manager Information Management with responsibility for the coordination, administration, development, production and support of the information system and for services to guarantee the collection, organization, maintenance, management and transmission of information and records management.	Jan. 2004	ECTEL Board
2.3. Upgrade website for ECTEL and develop sites and links for each NTRC	Immediately	ECTEL/NTRCs
2.4 Conduct Feasibility study for Video Conference Capability for Linking ECTEL Secretariat and NTCS	Feb. 2004	ECTEL/NTRCs
2.5 Develop public awareness/education plan and rollout	Jan, 2004	ECTEL Secretariat
2.6 Make Board meetings public	In process	ECTEL Board
2.7 Train spokesperson in Public Relations	Jan, 2004	ECTEL Secretariat
2.8 Engage Public Relations Consultant	In place	ECTEL Directorate

Programme Area/Strategic Action(s)	Target Date	Action By:
3.0 FINANCIAL MANAGEMENT/REPORTING		
3.1 Develop reliable model for calculating Spectrum Fees and License Fees.	Dec 2003	ECTEL/NTRCs
3.2. Agree on invoicing standard for Spectrum Fees	Nov. 2003	ECTEL/NTRCs
3.3 Define collection intervals	Nov. 2003	ECTEL Directorate
3.4 Design, develop and implement collection, lodgment and remittance procedures for Spectrum Fees	Dec. 2003	ECTEL/NTRCs
3.5 Calculate and agree indebtedness level of each Contracting State	Nov. 2003	ECTEL Secretariat
3.6 Agree payment schedule for retirement of indebtedness	Dec. 2003	ECTEL Secretariat
3.7 Develop a database of licences granted, effective dates, fees payable, payment status, and disposition of fees (status)	Nov. 2003	ECTEL Secretariat
3.8 Schedule and facilitate workshop on assessment, collection and remittance of fees. Attendees to be finance personnel of the ECTEL Secretariat and technical staff of the NTRCs	Dec. 2003	ECTEL Secretariat
3.9 Develop a reporting protocol to confirm lodgment and receipt of fees from NTRCs.	Nov. 2003	ECTEL Secretariat

7.0 CONCLUSION AND RECOMMENDATIONS

Having analysed the progress made by the NTRCs and the Secretariat, it was recognised that considerable progress has already been made toward achievement of the objectives set out in the treaty. The level of success varies considerably among each of the entities. The overarching goal of a liberalized environment must rest on a foundation of harmonised legislation. In short, some Contracting States are required to fast-track the legislative reform process.

The vexing issues of communications, and records management must be resolved forthwith in a systematic way with the support of ICT.

The financial viability of the Authority cannot be achieved without the political will and commitment to specific and equitable performance with regard to the establishment of an ECTEL Fund in each of the Contracting States with the appropriate protocols regarding the remittance process.

ECTEL as the coordinating and regulating agency must position itself as a node for international cooperation and become an efficient tool to allow OECS countries to develop their telecommunications and information technologies markets. In this context, the Authority must develop three main courses of action:

- Exchanging information on regulatory experience through interaction with and membership in Regional bodies (CARICOM, CTU, CANTO, OCCUR); national bodies (FTC, OUR, PUC, RIC); and international bodies (ITU, OFTEL, NAMPA);
- Cooperating on a more operational level, for example with regards to interconnection charges or access of new entrants to international facilities; and
- Exchanging views and, where appropriate, coordinating OECS position on anti-competitive issues.

Appendix-I

Programme Outline

**EASTERN CARIBBEAN TELECOMMUNICATIONS AUTHORITY
(ECTEL)**

VISIONING AND VALUES RETREAT

24th - 25th September, 2003

Working in Cohesion for the benefit of the Region

***Marriott Hotel,
Frigate Bay
Basseterre
St. Kitts***

DAY – 1

“Looking Back to Leap Forward”

10:30 a.m. – 11:30 a.m.	<i>Setting the Context:</i> Participants will share expectations and intended outcomes
11:30 a.m. – 12:30 p.m.	<i>A Look at the Past</i> - Small Group Activity (A common database of the collective history of ECTEL). Participants will share their memories in three areas: personal events; global events and industry events.
12:30 p.m. – 1:30 p.m.	LUNCH
1:30 p.m. – 2:00 p.m.	<i>Defining the Current Realities</i> – Plenary Focus on the current trends that are shaping the regional reality.
2:00 p.m. – 3:00 p.m.	<i>Analysing the Present</i> – Small Group Activity (Stakeholder Groups) Identifying present trends which will impact the future. Groups now explore the present from their stakeholder perspectives: what works and what does not.
3:00 p.m. – 3:20 p.m.	BREAK
3:20 p.m. – 5:00 p.m.	<i>Ideal Future Scenarios</i> – Small Mixed Group Activity Develop scenarios depicting the ideal future. Articulate vision statement
5:00 p.m. – 5:30 p.m.	<i>Coming to Common Ground</i> – Plenary feedback on small group activity. Agree vision statement.
5:30 p.m. – 6:00 p.m.	Closing

DAY – 2

“Focus on the Future”

(Defining the Way Forward)

8:30 a.m. – 9:00 a.m.	<i>Reflections and Reality Dialogue</i>
9:00 a.m. – 10:00 a.m.	<i>Coming to Common Ground</i> - Small mixed group activity identifying strategic objectives. Participants will undertake review of previously Identified future scenarios.
10:00 a.m. – 10:30 a.m.	BREAK
10:30 a.m. – 11:30 a.m.	<i>Clarifying the Vision, Agreeing the Regional Agenda</i> – In plenary, participants will rank strategic objectives as identified in previous small group activity.
11:30 a.m. – 12:30 p.m.	Action Planning: <i>Resource Mobilisation</i> : Identification of required human, financial and information management resources.
12:30 p.m. – 1:30 p.m.	LUNCH
1:30 p.m. – 2:30 p.m.	Action Planning: <i>Setting Boundaries</i> - Mixed Group Activity - Developing the framework for interaction with international agencies
2:30 p.m. – 3:30 p.m.	Action Planning: <i>Establishing Collaborative Frameworks</i> . Role clarification between national and regional agencies – Mixed Group Activity.
3:30 p.m. - 4:00 p.m.	BREAK
4:00 p.m. - 5:00 p.m.	Plenary – <i>Articulating the Desired Future and Timelines</i>
5:00 p.m. - 5:30 p.m.	Closing and Reflections

Appendix-II

EASTERN CARIBBEAN TELECOMMUNICATIONS AUTHORITY (ECTEL)

Ministerial Retreat

List of Participants

NAME	DESIGNATION	MINISTRY/ ORGANISATION	OFFICIAL ADDRESS TELEPHONE FAX EMAIL	COUNTRY
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Ms Clementine Josephs	Executive Secretary/Coordinator	NTRC Dominica	Tel. 767 440 0627 Fax 1 767 440 0835 Email stubborn_123@hotmail.com	Dominica
Mr Sylvester Vital	Commissioner	NTRC Dominica	Tel. 767 448 1968 Email svital@ectel.int	Dominica
Mr Ian Douglas	Commissioner	NTRC Dominica	Tel 767 445 3099 Fax 767 445 6270 Email I_chambers@hotmail.com	Dominica
Mrs Patricia Charles	Commissioner	NTRC Dominica		Dominica
Mr. Clarence Christian	Alternate Board Member			Dominica
Mr. Eluid Williams	Board Member	Board of ECTEL	Tel 767 448 2401 ext 3357 Fax 767 448 0059 Email: pswilliams@cwdom.dm	Dominica

NAME	DESIGNATION	MINISTRY/ ORGANISATION	OFFICIAL ADDRESS TELEPHONE FAX EMAIL	COUNTRY
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Mr. George Lashley	Commissioner	NTRC Grenada	Grande Anse Shopping Complex, St. Georges, Grenada Tel. 473 435 6872 Fax 473 435 2132	Grenada
Mr. Robert Alexis	Commissioner	NTRC Grenada	Tel. 473 440 2050/3121	Grenada
Dr. Linus Spencer Thomas	Chairman	NTRC Grenada	Tel. 473 435 6872 Fax 473 435 2132 Email spence105@hotmail.com	Grenada

NAME	DESIGNATION	MINISTRY/ ORGANISATION	OFFICIAL ADDRESS TELEPHONE FAX EMAIL	COUNTRY
Wesley Wharton	Director of Telecommunications	Govt. of St. Kitts and Nevis	Church Street, Basseterre, St. Kitts Tel. 869 465 2521 ext 1410	St. Kitts and Nevis
Mr. Glenroy Dear	Executive Secretary	Govt. of St. Kitts and Nevis	Govt. of St. Kitts and Nevis Tel. 869 466 8997 Fax 869 466 6817 Email gdear@ectel.int	St. Kitts and Nevis
Dr. Ken Ballantyne	Chairman	NTRC St.Kitts & Nevis	PO Box 186, Basseterre Tel 869 466 3204 Fax 869 465 1154 Email caribbeanlaw@hotmail.com	St. Kitts & Nevis
Mr. Joseph Avel Richardson	Commissioner	NTRC St.Kitts & Nevis	Tel 869 465 8528 Fax 869 465 4628 Email jrichardson@ectel.int	St. Kitts & Nevis
Mr. Arthur Williams	Commissioner	NTRC St.Kitts & Nevis	Tel. 869 465 2537 Fax 869 465 2435 Email eccestat@caribsurf.com	St. Kitts & Nevis
Mr. Apollo Knights	Director of Telecoms	NTRC St. Vincent & the Grenadines	Granby Street Kingstown, St. Vincent Tel. 1 784 457 2279 Fax 1 784 457 2834 Email ntrc@ntrc.vc	St. Vincent & the Grenadines

NAME	DESIGNATION	MINISTRY/ ORGANISATION	OFFICIAL ADDRESS TELEPHONE FAX EMAIL	COUNTRY
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Mr. Isaac Solomon	Board Member	ECTEL	ECCB Agency Office PO Box 839, Kingstown Tel 1 784 456 1413 Fax 784 456 1412 isolomon@ectel.int	St. Vincent & the Grenadines
Mr. Jeffery Providence	Alternate Board Member	ECTEL Board	108 Halifax Street Box 252, Kingstown Tel 784 457 1796 Fax 784 451 2301 Email svgbla@caribsurf.com	St. Vincent & the Grenadines
Hon. Mr. Gerol Thompson	Chairman	Council of Ministers		St. Vincent and the Grenadines
Mr. Otto Sam	Commissioner	NTRC, St. Vincent	Tel. 7884 457 6730 Email Otto@viccysurf.com	
Mr. Donnie De Freitas	Managing Director	ECTEL	PO Box 1886, Castries Tel. 758 458 1701/02 Fax 758 458 1698 Email ddefreitas@ectel.int	St. Lucia

NAME	DESIGNATION	MINISTRY/ ORGANISATION	OFFICIAL ADDRESS TELEPHONE FAX EMAIL	COUNTRY
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Mr. Cosbert Manchester	Managing Director (Ag)	ECTEL	PO Box 1886, Castries Tel. 758 458 1701/02 Fax 758 458 1698 Email hblanchard@ectel.int	St. Lucia
Mr. Derrick Redman	Legal Counsel	ECTEL	PO Box 1886, Castries Tel. 758 458 1701/02 Fax 758 458 1698 Email hblanchard@ectel.int	St. Lucia
Hon. Felix Finisterre	Minister	Ministry of Telecommunications, Works, Transport and Public Utilities, St. Lucia	Union Castries Tel. 758 468 4301/02 Fax 758 568 6380 Email ffinisterre@gosl.gov.lc	St. Lucia
Hon . Callixte George	Minister	Specially Invited participant		St. Lucia

NAME	DESIGNATION	MINISTRY/ ORGANISATION	OFFICIAL ADDRESS TELEPHONE FAX EMAIL	COUNTRY
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