



# DIGICEL

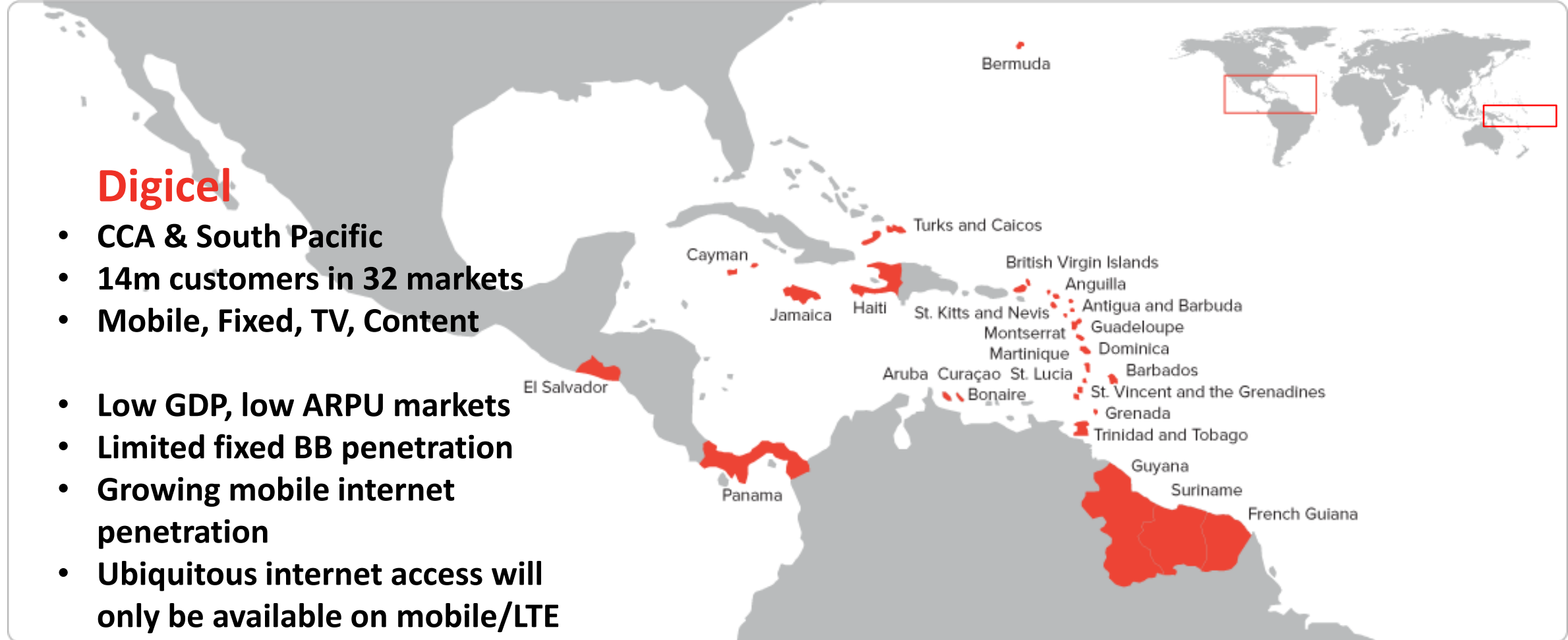
A total communications and entertainment provider

2<sup>nd</sup> August, 2016



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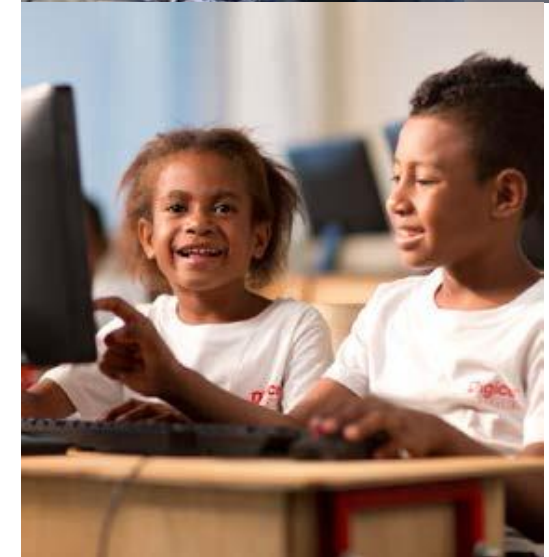
# BACKGROUND





## POLICY GOALS

- Fit for purpose regulation must meet policy objectives
- Some policy questions include:
  - Maximise broadband connectivity?
  - Maximise Internet usage?
  - Is social inclusiveness a goal?
  - encourage network investment?
  - Should commercial benefits of the Internet be focussed on job creation?
  - Should local services or service providers (traditional/converged) be protected?



## BENEFITS OF NETWORK INVESTMENT IN DEVELOPING ECONOMIES

- Efficiency gains in existing services
- Social inclusion (education and healthcare)
- Expansion of digital economy
- Integration into global digital economy
- Enabler for IoT benefits - agriculture, disaster planning and recovery, energy management etc.





## CONDITIONS FOR INVESTMENT

- Telco commercial model - network cost recovered by charging for services
- Emerging model – none of value from online services flows back to network
- Investment in infrastructure cannot be funded by price increases for end users
- So who pays for the network investment that is needed to deliver on the policy goals?



## A SINGLE COMMERCIAL MODEL?

Strict Net Neutrality rules impose a commercial model that says it should be shared across end-users and prohibits network operators from seeking or receiving contributions from On-line Service Providers



## NEED FOR A PROPER DEBATE



- The investment required to build out the broadband networks of the future runs into billions of dollars across the Caribbean.
- Restrictive Net Neutrality rules undermine the ability of operators to make these investments.
- They address a single policy dimension but they will impact all of the other policy areas.
- A more sophisticated response is required in the Caribbean - one that allows sufficient flexibility for the markets to try different commercial models and to respond to the changing supply of services and the demands of consumers.

**LET'S TALK**

