

PRESS RELEASE

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TRC launches public consultation on Broadband

29 January, 2015 – The Telecommunications Regulatory Commission (“TRC”) has today launched a consultation on the fixed broadband market, which seeks to address the high level of complaints received concerning fixed broadband provision by LIME BVI. The consultation document, published on the TRC’s website (www.trc.vg) goes hand in hand with a consumer survey seeking feedback from the public on the service offered. The TRC’s consultation document compares the low level of fixed broadband connections per capita and low average bandwidth speed with the Caribbean and the rest of the world and shows that the BVI is seriously lagging behind.

The survey asks consumers about their use of fixed and mobile broadband and ask participants to highlight their greatest areas of concern including connection speed, reliability, limits of use, price and contract terms.

In the consultation document, the TRC focuses on the fixed broadband sector and defines the relevant markets for consideration as the fixed retail broadband market (for residential and business consumers) and the wholesale market for fixed broadband access (for other public suppliers to access the fixed broadband network for resale). The TRC propose that LIME BVI is dominant in both markets and look for public feedback to confirm this finding in order to proceed with the second stage consultation which will assess regulatory remedies. Under section 26 of the Telecommunications Act 2006, the TRC is able to impose regulatory obligations upon designated dominant public suppliers. The TRC notes that mobile broadband is a separate market and is not included in the assessment of dominance.

It is not the first time the TRC has carried out this procedure. In 2011, the TRC found CCT, Digicel BVI and LIME BVI dominant in the termination of calls to their own networks and imposed regulated fixed and mobile termination rates. In 2013, the TRC found LIME BVI dominant in the provision of international connectivity services and is in the process of setting out the resulting regulation.

The TRC is considering regulatory obligations such as quality of service obligations which may result in penalties for failing to deliver a certain bandwidth speed as contracted between the supplier and the consumer and for delays in service delivery. The TRC seeks feedback from the public on the possible options for regulation to address the low level of fixed broadband internet provision in the BVI. The consultation and the consumer survey are now open for consumer feedback until 5 March 2015 and are available on the TRC website (www.trc.vg).

Sarah Hayes, Chief Economist of the TRC said “this is the procedure we need to go through to impose regulatory obligations on a dominant provider of fixed broadband internet. We are open to the full range of regulatory solutions both on the retail and wholesale sides. It’s important not to stifle the development of broadband in the BVI and new investment in fibre but at the same time we want to see that there is an improvement in bandwidth speed and connectivity in the BVI.”

Guy L. Malone, Chief Executive Officer of the TRC said “We want the public to take part in the online survey and to identify what are the greatest problems in fixed broadband provision to enable us to put the right regulatory measures in place. We plan to take action to ensure that the BVI is on par with the rest of the world in terms of fixed internet speed and access.”

An executive summary of the consultation is available at www.trc.vg. Responses to this consultation are sought from the public by 5 March 2015.

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Note to Editors:

The Telecommunications Regulatory Commission (TRC) is a statutory body responsible for regulating the telecommunications sector of the Virgin Islands, protecting interests of users of telecommunications services, ensuring fair competition among operators of telecommunications networks and providers of telecommunications services, promoting the development of telecommunications throughout the Virgin Islands and advising the Minister of Communications and Works on telecommunications policies.