

Session 5: Over-The-Top Services And Implications for Broadcasting

DigitalBroadcasting'17

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Who is CANTO?

CANTO is recognized as the leading trade association of the ICT sector for shaping information and communications in the Caribbean. Founded in 1985 as a non-profit association of 8 telephone operating companies, CANTO has now grown to over 141 members in more than 36 countries. A Board of Directors appointed by the membership directs the strategy of the Association and the strategy is executed by a permanent Secretariat based in Trinidad and Tobago.

Caribbean - Public Policy Broadband Mandate



Caribbean Telecom Markets

- Mostly mobile societies. Penetration over 100% in many countries.
- Countries with populations under 200,000
- Small, fragmented markets
- Few operators. Regional operators.
- Technology Adopters
- USA major trading partner

Natural Disasters



Ladies and Gentlemen, let me start with the vicious hurricanes that we have had this year – hurricanes Irma and Maria.

Did you hear anyone talking about using Whatsapp, Google, Netflix and the list goes on, No!

Did any regulator or minister of government call on any of those Over-the-top (OTT) providers to find out when the network would be restored and how soon countries would be connected again to the rest of the world? No.!

Natural Disaster



Did any of the OTT providers offer to restore services in BVI, TCI, Dominica, Anguilla, Barbuda – No.

These providers have no assets in this region – no network and no people employed.

Natural Disaster



The OTTs are waiting on Flow, Digicel, CCT and ATNI (USVI) to pump money into restoring their networks so that they, the OTTs can provide services to customers for free because they are not paying for usage of the network.

Not only are network operators subsidising the cost of OTT services so are consumers.

Consumers are not getting free services from OTT providers. Consumers will increasingly pay more and more for data services because OTTs are not paying to use the network and operators cannot or are unwilling, at this time to price data services to recover revenues lost to OTT providers

Man-Made Disaster



Taken to its logical conclusion what happens if OTT providers are not somehow made to pay for use of infrastructure and cost of data package to customers cannot support the maintenance and renewal of networks –

a disaster just like with the hurricanes except this would be manmade- and the region will be truly cut -off. Do you think that any of the OTTs will care that the region is disconnected from the rest of the world – No

Man-Made Disaster



.– these countries in the region with an average population of 100,000 will be mere collateral damage.

OTTs are extracting more and more wealth from countries like Jamaica, like Barbados, like Antigua, like Trinidad & Tobago to the more advanced nations of this world and so the cycle of impoverishment continues.

Fake News From OTTs



Dispel mis-information from OTTs:

traditional telcos want to see OTTs disappear.

Fake News. Not true.

OTTs here to stay.

We ask for a level playing field: That OTTs pay for the networks that they use; and that OTTs are subject to the same regulatory regime as domestic providers with the attendant cost or conversely the existing regulatory regime is lifted for traditional providers

What is CANTO Doing?

Actively involved in Working Group established by the Caribbean Telecommunications Union (CTU) on OTTs.

In September 2017 participated in the ITU Open Consultation (see our submission) on OTTs.

CANTO Conference platforms

Advocacy

Recommendations



ENCOURAGE REGULATORS & GOVERNMENTS TO:

- 1. Realise that there is no free lunch. Caribbean customers are paying for OTT service through their data packages and personal information, which some consumers might think is of little value, is packaged by these online platforms and sold to the highest bidder.**
- 2. Know that OTTs are undermining national development – networks in the region were built because services offered over those networks would pay for the networks. Now OTTs are offering free services over the networks, because they are not paying for the use of the network ; and consumers cannot be charged enough for their data packages to cover revenues lost to OTTs. What then will happen to domestic networks and jobs if there is no revenues from services to support them - disaster**
- 3. Raise the level of the discussion - Government and regulators must realise that the OTT discussion is really about digital transformation and how this is managed so that countries in the region can sustainably develop. We ignore this to our peril. Stop seeing it as an individual operator issue.**
- 4. Recognise inertia is our enemy – governments in the region must wake-up to the Trojan horse in our midst. Concerted regional action must be pursued at the international level to eliminate this subsidy to OTTs who are mostly from developed countries.**

THANK YOU



END