



The Bahamas Telecommunications Company Limited

Response to:

Draft URCA Annual Plan 2025

**Consultation Document
URCA 08/2024
Issued: 20 December 2024**

Submitted to:

Utilities Regulation & Competition Authority (URCA)

Legal and Government Affairs,
February 3, 2025

Introduction

The Bahamas Telecommunications Company Limited (“BTC”) provides herein its response to the Utilities Regulation and Competition Authority’s (“URCA”) Consultation on its *Draft Annual Plan 2025, URCA 08//2024*, issued 20 December 2024.

BTC welcomes the opportunity to respond to URCA’s Draft Annual Plan 2025. In the Annual Plan, URCA sets out the strategic goals and proposed projects slated to be completed within the year. URCA has planned to review numerous subject matters that are crucial to the future of telecommunications in The Bahamas. In what follows, BTC delineates its views on URCA’s proposed projects and goals for 2025.

Strategic Outlook

Strengthening Leadership and Resources

BTC is pleased that URCA, as part of its strategic outlook for 2025, is focused on strengthening leadership and people resources. BTC commends URCA’s commitment to forming a capable and agile team that can adapt to the rapidly evolving global technological and economic landscape while addressing the needs of an increasingly digitally inclusive society. While, BTC applauds this effort, BTC remains concerned with the instability of leadership as well as the inability of URCA to retain employees. Retaining employees is an essential element of continuity in any organization and arguably even more so for sector regulators such as URCA. The primary goal should be to maintain employees who have received training, ensuring that the investment made by the URCA is not lost.

Enhancing Employee Development and Organizational Performance

BTC notes that URCA has committed to fostering a culture of performance excellence by investing in employee development through internal and external training, mentoring, and coaching initiatives. BTC notes that URCA has placed emphasis on training and employee development. While this is commendable, BTC reiterates to URCA the importance of prioritizing staff retention to ensure continuity of operations and the transfer of knowledge, thereby securing the future leadership of the Electronic Communications Sector (ECS).

Addressing Connectivity Gaps and Expanding Regional Presence

URCA has expressed its intention to expand its regional presence by opening an office to serve the Northern Bahamas. While BTC appreciates URCA’s efforts to improve accessibility, BTC questions the necessity of establishing another physical office. Given URCA’s role as the telecommunications regulator and its capacity to serve as the face of telecommunications in The Bahamas, an investment in a more interactive online presence would be a more efficient approach.

BTC's view is that many of the concerns addressed by a physical office could be handled effectively through an online presence, e.g. apps, webpages and or online portal. As URCA is currently revamping its website, it would be beneficial to incorporate features that allow individuals to file complaints and make payments online. This would not only streamline processes but also help reduce unnecessary costs for licensees.

International Engagement and Multi-Stakeholder Collaboration

URCA's continued commitment to its international obligations and active participation in the International Telecommunications Union (ITU) is commendable. BTC looks forward to the realization of the benefits that stakeholders and consumers could yield as a result of this collaborative engagement. In addition to engagement with international organizations, BTC recommends that URCA engage more with local organizations, in particular licensees. As URCA has noted, a multi-stakeholder approach is essential. More input from industry stakeholders brings awareness to the challenges faced and potential opportunities to maintain an efficient Electronic Communications sector.

Measuring Organizational Performance

BTC is encouraged to see that URCA has taken industry feedback into account regarding the organizational performance measurement tool. However, URCA still has some uncertainties about the tool's objective and how unbiased assessment can be ensured, given that URCA is both the user and the producer of the tool. BTC looks forward to the refinement of the tool's objectives and will await further clarification on this matter.

Priorities

International Relations Priorities for 2025

As a part of its international relations priorities, BTC notes that URCA will focus on fostering international cooperation and ensure it is aligned with emerging trends in digital governance. Further, URCA notes the importance of connecting national ICT development with the global ICT ecosystem in the context of the ECS policy.

While BTC appreciates the significance of understanding and connecting global and national ICT ecosystem, BTC reiterates the need for more local engagement particularly amongst licensees. This engagement allows a forum for valuable exchange of information from telecommunication companies that understand the challenges faced in navigating the ECS in a unique landscape such as The Bahamas.

BTC acknowledges URCA's goal to facilitate knowledge sharing of best practice stemming from international relations. This has been a long standing request from the industry to learn from

participants of the global forums and workshops in an effort to prepare for future advancements that will help to develop the local ICT sector.

Human Resource and Learning Priorities for 2025

BTC notes URCA has listed several strategic priorities to attract, retain and develop talent at URCA. One of the priorities focuses on leadership and another on talent management. BTC considers the mentioned priorities to be of great importance to ensure the sustainability of URCA and the knowledge of work in the ECS, developed throughout the years.

Northern Bahamas Office Priorities for 2025

As mentioned previously, BTC is uncertain of the necessity for an office to be established in Northern Bahamas. URCA states the initiatives of the new office will include regulatory impact study/survey, monitoring and compliance, stakeholder engagement, investigations and enforcement. Based on the initiatives mentioned, BTC is unconvinced of the need for a physical presence on another island. URCA has been operational since 2009 with the responsibility of regulatory oversight across the entire Bahamas. This mandate is carried out through a single office based in New Providence. The establishment of a satellite office brings with it more unnecessary cost to licensees. In BTC's view, the decision for a new office should have been done in concert with consultation from the industry.

Review of Universal Service Obligations and Universal Service Fund

BTC acknowledges the foregoing universal service obligations are no longer applicable in this rapidly evolving Electronic Communications Sector. BTC reiterates its 2023 response to this project which states BTC's appreciation for necessity for basic access to electronic communication services for all. BTC is of the view that the selection of a universal service should be relevant and useful service for the consumer and cost effective for the service provider. The Communications Act list services for which BTC is the designated Universal Service Provider, namely, basic dial-up internet services to populated areas, basic dial-up internet services free of charge to specified institutions, basic telephony services to all populated areas and public access to pay apparatus. As it stands, services such as dial-up internet and pay phones are non-existent with the ubiquity of mobile phones and OTT services. Furthermore, BTC is of the view that a gap analysis of the USO should be done in concert with the results of the 2022 Mobile Market Review, the 2024 Fixed Service Review and the review of Satellite Operators to make a conclusive decision.

BTC looks forward to fair and collaborative discussion with URCA on the USO and USF for the continued advancement of the ECS in The Bahamas.

National Spectrum Plan 2024-27

BTC welcomes the forthcoming National Spectrum Plan (NSP) 2024-2027 and appreciates the opportunity to provide input on this critical framework. Since the publication of the previous NSP 2020-2023 on 20 March 2020, telecommunications have undergone significant changes, particularly wireless radio communications. BTC recognizes the necessity for an updated spectrum plan that reflects these advancements and aligns with global best practices.

One of the key areas of interest for BTC is the integration of emerging technology standards, particularly those associated with the deployment and expansion of 5G networks. The rapid evolution of 5G technology has necessitated the re-evaluation of spectrum allocation strategies to ensure optimal utilization, improved service delivery, and enhanced connectivity for consumers and businesses. The inclusion of updated spectrum management policies that allow efficient 5G deployment will be key in driving economic growth, fostering innovation, and maintaining The Bahamas' competitiveness.

Additionally, BTC recognizes the increasing role of satellite-based communication services. The rise of non-geostationary satellite operators and the expansion of low Earth orbit (LEO) satellite present new opportunities for connectivity, particularly in underserved and remote areas. The updated NSP should consider seamless integration of satellite-based operators while safeguarding the interests of terrestrial network providers.

BTC looks forward to engaging with URCA throughout the consultation process to ensure that the National Spectrum Plan 2024-2027 is forward-looking, technologically inclusive, and conducive to the sustainable growth of the telecommunications sector in The Bahamas. BTC remains committed to collaborating with all stakeholders to achieve a fair and balanced effective spectrum management strategy that benefits consumers and providers alike.

Consultation on the Implementation of the 5G Regulatory Framework

The deployment of 5G represents a transformative milestone in the evolution of telecommunications, both globally and within The Bahamas. As next-generation networks continue to redefine connectivity, enabling enhanced data speeds, low latency, and better performance, it is imperative that the regulatory framework supporting 5G deployment is well-structured, forward-thinking, and conducive to sustainable industry growth.

BTC has actively contributed to the regulator's ongoing discussions on 5G development, including its detailed response to the consultation document, "Public Consultation on the Roadmap to Enable 5G Deployment in The Bahamas". BTC recognizes the importance of a clear and strategic regulatory roadmap to ensure the efficient allocation of spectrum, the promotion of fair

competition, and the facilitation of new service offerings that will benefit consumers and businesses.

Collaboration between the regulator and industry stakeholders is paramount in shaping policies that balance technological advancement with economic viability and national security considerations. BTC's position is that an inclusive and transparent regulatory approach will be instrumental in fostering investment, accelerating infrastructure deployment, and ensuring the seamless integration of 5G technologies into the sector.

BTC looks forward to the publication of the forthcoming Statement of Results (SOR) and URCA's final decision on 5G deployment. BTC remains committed to constructive engagement with URCA and other industry participants to support the successful introduction and expansion of 5G services in The Bahamas.

ICTs for Persons with Disabilities

BTC notes URCA has once again listed ICTs for Persons with disabilities as a project to be completed within the year. BTC recalls that this has been a proposed project by URCA since 2018. BTC encourages URCA to consider whether this work stream is an actual priority for URCA. BTC recommends that URCA make realistic goals that are achievable within the prescribed timeframe.

Review of the Network Quality of Service Regulations

BTC acknowledges the critical importance of Network Quality of Service (QoS) Regulations as fundamental metrics for service providers, regulatory authorities, and consumers alike. These regulations serve as key benchmarks in evaluating the performance, reliability, and overall effectiveness of telecommunications services within the market.

Recognizing the dynamic nature of the telecommunications sector and the continuous advancements in technology, BTC considers a comprehensive review of the QoS regulations to be essential in ensuring an objective and data-driven assessment of service providers. Such a review should consider evolving consumer expectations, network performance standards, and international best practices.

In light of this, BTC anticipates engaging in substantive discussions with URCA regarding the proposed review. BTC's objective is to contribute to the development of a robust and equitable assessment framework that ensures fairness and transparency across all sector providers. BTC is committed to collaborating with URCA and other stakeholders to establish a regulatory approach that not only fosters service excellence but also promotes consumer confidence and industry growth.

Implementation of Remedies following Fixed Market Services and Pay Television Review

BTC is pleased about the advancement of the Fixed Market Review work stream. BTC would have liked to see an ex post position taken by URCA with a complete relaxation of regulations in the fixed market as was done in the mobile market. Nonetheless, BTC sees the revised Rules as a step in the right direction.

Review of Infrastructure Sharing Regulations

The Infrastructure Sharing Regulations (IFS) have played a critical role in promoting collaboration, fostering fair competition, and ensuring the sustainable growth and resilience of the electronic communications sector (ECS). By facilitating equitable access to essential infrastructure, these regulations have contributed to increased consumer choice, enhanced service quality, and overall development.

BTC acknowledges URCA's decision to undertake a comprehensive review of the IFS framework and considers this initiative both timely and necessary, particularly in light of the evolving market dynamics and the entry of new participants in the sector. As the competitive environment continues to expand, it is imperative that the regulatory framework remains adaptive and fit for purpose, ensuring that all industry stakeholders operate on a level playing field while maintaining incentives for investment and innovation.

BTC is committed to actively engaging in the review process and looks forward to providing substantive input to ensure that any revisions to the IFS framework are fair, balanced, and aligned with industry best practices. It is our position that the updated regulations should continue to encourage efficient infrastructure utilization while safeguarding the interests of all market participants, including incumbent operators and new entrants, to support long-term sector sustainability.

BTC remains committed to constructive dialogue on the continued advancement of the ECS.

Consultation on Guidelines for Cybersecurity of Public Electronic Communications Networks and Services

Cybersecurity remains a fundamental and ever-evolving concern in the management and operation of Public Electronic Communication Networks (PECNs). As the telecommunications landscape continues to advance, driven by technological innovation, increased connectivity, and the proliferation of digital services, the need to assess, document, and quantify cybersecurity risks within the contemporary context has become more critical than ever.

BTC acknowledges URCA's initiative to address cybersecurity as a priority area and fully supports efforts to strengthen the resilience, security, and integrity of PECNs. Given the increasing sophistication of cyber threats and the potential impact of security breaches on consumers,

businesses, and critical national infrastructure, it is essential to adopt a comprehensive and forward-thinking approach to cybersecurity regulation.

BTC's view is that sound policy development in this area should be guided by industry-wide consultation, leveraging the collective expertise of telecommunications providers, cybersecurity professionals, and relevant stakeholders to identify and implement best practices. A collaborative approach ensures that regulations are practical, effective, and aligned with international cybersecurity frameworks while being adaptable to the specific needs and challenges of The Bahamas.

BTC is committed to engaging in robust discussions on cybersecurity measures that not only enhance the protection of individual sector participants but also contribute to the overall security of the electronic communications sector. BTC looks forward to meaningful dialogue with URCA and other stakeholders to develop policies that draw an appropriate balance between security, innovation, and regulatory compliance.

BTC appreciates the opportunity to contribute on this topic and remains committed to advancing cybersecurity standards that safeguard consumers, businesses, and the national telecommunications infrastructure.

Budget

Given the significant increases in certain budget lines, BTC notes that there are opportunities to enhance URCA's efficiency and ensure that the financial burden on licensees remains justifiable.

While BTC understands the necessity of funding regulatory oversight and initiatives to meet policy objectives, BTC considers there are alternatives on how URCA can find efficiencies within its budget, especially considering that the proposed budget represents a 22% increase in OPEX from the previous year.

The 43% increase in conferences, training, and travel is an area where URCA may achieve savings. While BTC agrees that staff participation in international forums is beneficial for staying abreast of global regulatory trends, there may be ways to reduce travel-related expenses. Virtual participation in international conferences and cross-sector forums should be considered as an alternative to in-person attendance, especially given the current technological advancements that enable seamless remote engagements.

Also, while it is commendable that URCA has allocated more resources to consumer education, BTC believes the 126% increase may be excessive given the available technological channels for outreach. A more cost-effective approach could involve leveraging digital platforms such as social media, webinars, and online educational tools, which would reach a broader audience at a fraction of the cost of traditional in-person outreach in the Family Islands. This would also allow for more

frequent and targeted campaigns, further extending the reach of consumer education efforts without significant additional expenditure.

Lastly, the increase in office services and utilities, particularly in relation to operating the NBO and credit facility charges, suggests that there may be an opportunity for further cost savings. As mentioned earlier, many of the initiatives that URCA has listed as a focus for the NBO can also be done electronically. BTC recommends URCA to reconsider this expansion.

Conclusion

In conclusion, BTC appreciates the opportunity to provide feedback on URCA's Draft Annual Plan for 2025. While the plan outlines several critical initiatives that are essential for the growth and regulation of the telecommunications sector in The Bahamas, BTC encourages URCA to consider alternative approaches to enhance operational efficiency and reduce unnecessary financial burdens on licensees. Specifically, a closer examination of the planned increases in conferences, travel, consumer education, and the expansion of physical offices could yield potential cost savings. BTC considers leveraging digital platforms, reducing travel-related expenses, and reassessing the need for a new office in the Northern Bahamas could ensure that regulatory efforts remain effective without imposing excessive costs. Moreover, BTC stresses the importance of maintaining a strong, stable workforce at URCA, as employee retention is key to sustaining institutional knowledge and effective oversight. By implementing these cost-saving measures, URCA can continue to fulfill its regulatory mandates while maintaining a balanced approach to financial sustainability, ultimately benefiting both URCA and the licensees it oversees. BTC looks forward to continued collaboration with URCA to ensure the ongoing development of a fair, competitive, and efficient telecommunications sector in The Bahamas.

Reservation of Rights

BTC reserves the right to comment further, including adopting alternative positions, on all points of the CD or the Draft Annual Plan categorically that the decision not to respond to any matter included in the CD or Draft Annual Plan in whole or in part does not necessarily indicate agreement in whole or in part with URCA's statements in the CD or the Draft Annual Plan, nor does any position taken by BTC in its response mean a waiver of any of BTC's rights in any way. BTC expressly reserves all its rights.