



Telecommunications Authority of Trinidad and Tobago

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Republic of Trinidad & Tobago

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NOTICE

APPLICATIONS FOR CONCESSIONS

THE TELECOMMUNICATIONS AUTHORITY OF TRINIDAD AND TOBAGO HEREBY ADVISES THE PUBLIC THAT WITH EFFECT FROM 18TH JUNE 2009 AND UNTIL FURTHER NOTICE, THE AUTHORITY WILL NOT ACCEPT ON A ‘FIRST COME - FIRST SERVED’ BASIS, APPLICATIONS FOR CONCESSIONS IN RELATION TO ANY MARKET, CLASS OF SERVICE, OR TYPE OF CONCESSION. APPLICATIONS FOR CONCESSIONS WILL ONLY BE ACCEPTED BY THE AUTHORITY WHEN SUBMITTED IN RESPONSE TO AND CONSISTENT WITH A REQUEST FOR PROPOSALS ISSUED BY THE AUTHORITY.

The Telecommunications Authority of Trinidad and Tobago (“the Authority”) has embarked upon a review of the telecommunications and broadcasting sectors in order to assess the impact of the liberalisation of these sectors. The liberalisation process began with the full promulgation of the Telecommunications Act in June 2004.

It is anticipated that the review will inform the policy governing the regulation and future direction of telecommunications and broadcasting sectors. This exercise is being conducted in order to ensure that the policy is fully aligned to the objects of the Act and the Authority’s mandate, and in particular, to ensure that the policy establishes conditions for the facilitation of the orderly and systematic development of a telecommunications system that serves to safeguard, enrich and strengthen the national, social, cultural and economic wellbeing of Trinidad and Tobago.

*Directors: Ms. Beverly Beckles; Ms. Gillian Bishop; Dr. Ronald Ramkissoon; Mr. Samuel Henry;
Mr. Hayden Newton; Mr. Terrence Pierre.*

The Authority is also mindful of the effects of the global economic downturn on the local economy and in particular their impact on the revenues generated by the telecommunications and broadcasting sectors and consequently upon the viability of new entrants and existing participants in the telecommunications and broadcasting sectors. The Authority has already received indications from incumbents in the telecommunication and broadcasting sectors of financial hardship, reflected in delinquent payment of concession and licence fees by some providers, and requests for the transfer of concessions or change of control of concessionaires resulting from the challenge of remaining viable in the current economic environment.

Having regard to the foregoing, the Authority is considering the appropriate policy direction to be taken given the current status of competition within the sectors and the economic factors impacting upon the provision of telecommunications and broadcasting services in Trinidad and Tobago.

One consideration is the appropriateness of the “first come – first served” method for concession applications.

The Authorisation Framework for the Telecommunications and Broadcasting Sectors in Trinidad and Tobago currently provides for the acceptance by the Authority of applications for concessions through two distinct processes; either through a general administrative ‘first come, first served’ process or through a competitive process involving either a comparative evaluation or an auction process. In markets currently served by a ‘first come - first served’ approach, any person may apply at any time for a concession for telecommunications networks and/or telecommunications and broadcasting services. In markets serviced through the competitive process, applications may only be submitted in response to an invitation by the Authority to submit applications via a Request for Proposals document.

The Telecommunications Act provides, under section 21(2) that “*A person who wishes to operate a network or provide a service described in subsection (1), shall apply to the Authority in the manner prescribed*”.

The Authorisation Framework provides in its statement on methods of authorisation (section 5.1) that *“Where the Authority determines that there shall be no limit on the number of providers in a particular market category, or where the available spectrum resources exceed demand, a ‘first-come first served’ award method will be adopted, subject to the applicant meeting the evaluation criteria set out by the Authority in respect of the relevant concession/ licence.”*

The Authorisation Framework further provides (section 5.1.1) that *“The Authority may alter the authorisation methods for licences and concessions based on changing market forces that affect the demand for services and resources, and the resulting impact on socio-economic behaviour.”*

The Board of the Authority, having considered the foregoing issues, has decided that it is necessary to review whether or not there should be a limit on the number of providers in each market currently subject to a ‘first come - first served’ process. The Authority considers that it would be inconsistent with its mandate to continue to accept further applications on a ‘first come - first served’ basis where there are valid questions as to the appropriateness of continuing to apply this approach to authorisation in the current environment.

It is for this reason that the moratorium has been placed on “first come – first served” applications for concessions.

Once the Authority has completed its review of the telecommunications and broadcasting sectors it will determine which markets, if any, are appropriate for the consideration of applications for concessions through a ‘first come - first served’ approach.

TELECOMMUNICATIONS AUTHORITY OF TRINIDAD AND TOBAGO

17TH JUNE 2009