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Eastern Caribbean Telecommunications Authority (ECTEL)

For immediate release



ECTEL MEMBER STATES RECORD FIVE PER CENT INCREASE IN FIXED BROADBAND SUBSCRIPTIONS

Castries, 24th June 2013: The seventh Annual Review of the Electronic Communications Sector released by the Eastern Caribbean Telecommunications Authority (ECTEL) reveals steady growth in broadband subscription in its Member States for the twelve months ending March 2012. According to the report, at the end of March 2012 there were more than 75,000 broadband subscriptions across the ECTEL Member States, a five per cent increase over the previous period. This growth in broadband subscriptions resulted in a broadband penetration rate of 14.4 subscriptions per 100 inhabitants, which compares very favourably with the penetration rate of 6 subscriptions per 100 inhabitants across the developing world.

Affordable and reliable broadband service is an essential component in the economic and social development of modern societies, and a major purpose of ECTEL is to promote the affordability and accessibility of broadband in its Member States. Since 2006 the number of broadband subscriptions in the Member States has increased at an annual rate of 14 per cent; at the same time, the entry-level price of broadband access as a percentage of monthly Gross National Income per capita fell by 50 per cent. At March 2012, the average entry-level price for broadband across the ECTEL Member States was 5 per cent of monthly Gross National Income per capita; this was in line with the International Telecommunications Union's benchmark for affordability.

The Annual Electronic Communications Review noted that the electronic communications sector attracted \$84 million in capital investment; a 5 per cent increase over the previous period. However, this overall increase in investment was not experienced by all ECTEL Member States. St. Kitts and Nevis, Saint Lucia and St. Vincent and the Grenadines recorded increased investment, but Dominica and

Grenada saw a drop in investment in their electronic communications sector. Saint Lucia recorded a 54 per cent increase in investment in the sector, the largest among the ECTEL Member States.

Consumers of fixed line services in all five ECTEL Member States enjoyed a 26 per cent reduction in the rate for calls from LIME's fixed network to all mobile networks within the Member States. This reduction occurred when LIME cut the fixed-to-mobile calling rate from 54 cents to 40 cents. In contrast, however, the rates for mobile calls across networks remained unchanged and still attracted a premium over calls to the same network.

The ECTEL review also highlighted that revenue from the electronic communications sector in Dominica grew 7 per cent to an estimated \$98 million. The number of fixed broadband subscriptions reached 9,500. Mobile phone users in Dominica consumed 196 million local calling minutes and sent 31 million text messages.

Meanwhile, in Grenada, telecoms operators invested nearly \$18 million in upgrading fixed and mobile network infrastructure. Mobile subscriptions, which have increased steadily every year since 2003, moved up 7 per cent to approximately 130,000. Consumers of fixed voice services in Grenada used well over 244 million local calling minutes, which equated to roughly 180 minutes per subscriber per month.

ECTEL's review of the electronic communications sector in St. Kitts and Nevis revealed that the growth in the number of fixed broadband subscriptions slowed to 3 per cent, compared to 4 per cent at March 2011. The resulting broadband penetration rate was 23.6 per cent, the highest in the ECTEL Member States. Investment in the electronic communications sector in St. Kitts and Nevis aimed at upgrading the mobile infrastructure to improve quality of service, rose 8 per cent, and represented 14 per cent of sector revenue.

In Saint Lucia, an estimated \$29 million was invested in the upgrade and maintenance of both fixed and mobile network infrastructure. This represented a 54 per cent increase in investment in the electronic communications sector, even as sector revenue recorded a 3 per cent decline. Fixed broadband subscriptions in Saint Lucia increased 3 per cent to 22,000, or 12.5 subscriptions per 100 inhabitants.

The review of St. Vincent and the Grenadines' electronic communications sector reported a one per cent rise in capital expenditure by telecoms operators, as they continued to upgrade mobile and fixed broadband infrastructure. Mobile service customers in St. Vincent and the Grenadines used 137 million local minutes and 21 million international minutes during the review period. At the same time, the number of broadband subscriptions grew 6 per cent to more than 14,500.

Total revenue from the electronic communications sector grew just 0.13 per cent as the sector's performance was negatively impacted by the slow economic growth in the Member States. Despite the expectation of continued decline in economic activity in the Member States, ECTEL projects increased capital expenditure and modest revenue growth in the electronic communications sector with the promised launch of 4G mobile broadband in the upcoming period.

The Annual Electronic Communications Sector Review is published by the Eastern Caribbean Telecommunications Authority. The Review tracks the performance of the electronic communications sector using a number of economic and statistical indicators, including sector revenue, capital investment and telecoms service penetration. The report is aimed at informing policy makers and other interested parties on the status and performance of the electronic communications sector for the reporting period.

The seventh Annual Electronic Communications Sector Review is available from the website www.ectel.int.

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