



TURKS AND CAICOS ISLANDS TELECOMMUNICATIONS COMMISSION

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PROVIDENCIALES
TURKS & CAICOS ISLANDS

May 5, 2009

DECISION NOTICE 2009 – 1

Re: TCT Limited Application for Licence to offer Internet Services

Background

On January 27, 2009, the Commission received an application from TCT Ltd. (TCT) for a telecommunications licence pursuant to the Telecommunications Ordinance 2004, seeking approval to offer high speed internet services to the Turks and Caicos Islands. In its application documents, the company confirmed its intention to continue providing high speed internet services at this time, but had plans to expand its service offerings to include other broadband services using the underlying network facilities currently being used by TCT.

The company also alluded to an application filed in 2006, which was passed over by the Commission due to the quota of licenses been offered by the Government been fill, and stated that this application provided an update to the information provided at that time.

The company further stated that it had written to the Minister responsible for telecommunications, requesting an exemption (as set out in Section 9(3) of the Ordinance) from the Belonger control requirements set out in that section.

On February 4, 2009, the Commission issued Public Notice 2009 – 1, calling for comments on the application, with a filing deadline of March 4, 2009. No comments have been received on the public notice.

COMMISSION DECISION

The Commission has considered the application, and has determined the following:

Since there have been no comments on the notice, and bearing in mind the Telecommunications Policy for Turks and Caicos Islands, and the mandate set out in the Ordinance to facilitate and promote competition in telecommunications, the Commission has concluded that the application should be approved. It therefore intends to advise the Minister, who is responsible for issuing telecommunications licences that it recommends

approval of the application and the issuance of a license as requested, on the basis that the Belonger control requirement be satisfied.

Belonger Control Issue

The information provided in the application confirms that the Company is 100% owned by Turks and Caicos Broadcasting, which is a USA-based firm. It is noted however, that the company has requested an exemption from the Belonger control criterion in the Ordinance, which is within the discretion of the Minister.

The Commission notes that in the earlier application in 2006, the owners of TCT expressed a willingness to “offer shares to as wide a section of the Belonger and resident community as possible” at the time a licence would be granted. The company further stated that it would have no objection to this being a stipulation in the licence. The precise mechanism under which this would be done was not specified, but the Commission believes that there is merit to the idea, and would recommend that this be explored further with the company before the issuance of a licence.

The Commission recommends that the Minister consider this approach to a simple unbound exemption order, and issue an exemption that would require the company to meet the Belonger control criterion within one year, through the broad mechanism described by the company. If the offer of shares were made within say, 3 months of the issuance of a licence, and the uptake were to fail to achieve the goal of Belonger control, then the Minister could reconsider the matter after a reasonable time period, and either issue an exemption without conditions, or confirm the limited period for achieving the goal stated.