

**AGREEMENT**

**BETWEEN**

**THE OECS CONTRACTING STATES**

**AND**

**CABLE & WIRELESS**

**TO ENABLE THE LIBERALISATION OF THE  
TELECOMMUNICATIONS SECTOR IN THE COMMONWEALTH  
OF DOMINICA, GRENADA, ST. KITTS AND NEVIS, SAINT LUCIA  
AND ST. VINCENT AND THE GRANADINES.**

**DONE AT ST. GEORGES, GRENADA  
THIS 20<sup>TH</sup> DAY OF MAY, 2002.**

## AGREEMENT

THIS AGREEMENT is made on this 20<sup>th</sup> day of May, 2002

BETWEEN: (1) The Government of the Commonwealth of Dominica, (2) The Government of Grenada, (3) The Government of St Kitts and Nevis, (4) The Government of Saint Lucia, and (5) The Government of St Vincent and the Grenadines (collectively referred to as “the OECS Contracting States”) of the one part:

AND: Cable and Wireless (West Indies) Limited a company duly incorporated in England and having its registered office situate at 124 Theobolds Road, London, WC1X 8RX, England and each of the Cable & Wireless group companies listed in the MOU herein referred to (collectively referred to as “Cable & Wireless”)

WHEREAS the OECS Contracting States and Cable & Wireless signed an Agreement on 7 April 2001 (“MOU”) under which Cable & Wireless agreed to surrender its exclusive telecommunications licences held in each of the OECS Contracting States in consideration for the OECS Contracting States undertaking certain obligations.

AND WHEREAS the OECS Contracting States and Cable & Wireless met on 30 March and 26<sup>th</sup> April 2002 in an attempt to resolve the further outstanding matters under the MOU and relating to liberalisation of telecommunications in the OECS.

NOW THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants herein exchanged the adequacy of which is hereby acknowledged the parties agree that:-

### PRICING OF CERTAIN TELECOMMUNICATIONS SERVICES BY C&W

1. Recognising the role and functions of ECTEL under the Telecommunications Acts, it is a condition precedent of this Agreement that ECTEL recommends to each of the Ministers in the OECS Contracting States that the licence amendment contemplated in clause 2 be made.
2. The parties agree that the attached Annex F shall be incorporated by agreement between the Minister in each OECS Contracting State and the relevant C&W operating company to form Annex F of that licence.
3. Concessions for telecommunications enterprises shall be transparently offered in accordance with the policy framework of the OECS Contracting States and taking into account relevant international obligations.
4. The parties agree that all telecommunications services shall be fully competitive from the 1<sup>st</sup> April 2002 in each OECS Contracting State.

5. Both parties agree to do all things reasonable and necessary to ensure that this Agreement is given effect.

<p>Signed for and on behalf of the OECS</p> <p>.....</p> <p>Government of the Commonwealth of Dominica</p> <p>.....</p> <p>Government of Grenada</p> <p>.....</p> <p>Government of St. Kitts and Nevis</p> <p>.....</p> <p>Government of St. Lucia</p> <p>.....</p> <p>Government of St. Vincent and the Grenadines</p>	<p>Signed for and on behalf of Cable &amp; Wireless (West Indies ) Limited</p> <p>.....</p> <p>ERRALD MILLER CEO</p>
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## ANNEX F – PRICING RULES (INCLUDING PRICE CAP RULES)

1. In this Annex F:

‘monthly line rental’ means the provision of a connection to the Licensee’s PSTN (excluding wiring beyond the master jack or customer premises equipment).

‘Price Table’ means the attached document setting out the maximum prices charged for certain telecommunications services as at the Relevant Date.

‘Relevant Date’ means 1 April 2002, or such later date as would allow Cable and Wireless to properly educate and notify its customer base, but in any event no later than 1<sup>st</sup> June 2002

‘regulated services’ under this Licence means monthly line rental, local telephone calls on the Licensee’s own network, fixed to mobile telephone calls, network connection and network re-connection. The price for interconnected services shall be determined in accordance with the relevant Telecommunications Act.

‘unregulated services’ under this Licence means all other telecommunications services.

### PRICING RULES

2. The Licensee shall offer each of the regulated and unregulated services listed in the Price Table at a price no greater than the price specified in that Price Table, effective from the Relevant Date and in accordance with this Annex F.
3. In Dominica and St. Lucia, the Licensee shall cease to charge trunk charges for domestic telephone calls from the Relevant Date.
4. The Licensee shall not be restricted in the price it charges to provide non-regulated services from the Relevant Date.
5. From the Relevant Date, the Licensee shall price regulated services in accordance with the Price Table and the Price Cap Rules set out below.
6. If the Licensee amends a price for a regulated service in a manner that is inconsistent with this Annex F, then that shall be a breach of this Licence and the Minister may take such action as the Act provides in relation to that breach.

## PRICE CAP RULES

7. Where the NTRC's have not set a new Price Cap 9 months after the Relevant Date, the Licensee shall be permitted to amend prices for regulated services provided that:
  - (a) The overall weighted average price of a basket of all regulated services and IDD services shall not increase by more than the Consumer Price Index as published by the Eastern Caribbean Central Bank; and
  - (b) No price for any regulated service shall increase more than 20% in any calendar year.
8. During the time that the arrangement set out in section 7 operates, the Licensee may amend prices for each regulated service no more than 2 times per year, and shall provide at least 30 days notice to customers in that event.
9. This arrangement shall apply until the NTRC's shall set a new price cap arrangement as contemplated under that part of Schedule 5 of the MOU that deals with Tariffs (Rebalancing and Incentive Regulation).
10. In the event that the NTRC and the Licensee are in dispute as to any aspect of this arrangement (including whether the condition set out in section 9 above has been met), that issue shall be referred in the first instance to a Joint Committee comprising of two representatives of ECTEL and two representatives of Cable & Wireless for resolution, such matter to be determined within fifteen days of the dispute having arisen. Where the Committee is unable to reach an unanimous decision within the timeframe specified, the matter shall be referred by the Licensee and the NTRC to arbitration in accordance with the laws of Saint Lucia.

## ANNEX F: PRICING TABLE

### UNREGULATED SERVICES

International direct dial (IDD) from fixed lines at all times of day

Between OECS Contracting States:	EC \$0.50 per minute
Between an OECS Contracting State and another C&W West Indies operating company (see note 1)	EC \$0.66 per minute
Between an OECS Contracting State and another country within the Caribbean region (see note 2)	EC \$0.99 per minute

Note 1: Anguilla, Antigua and Barbuda, BVI, Barbados, Cayman Islands, Jamaica, Turks and Caicos, Montserrat and Bermuda.

Note 2: Aruba, Bahamas, Bonaire, Cuba, Curacao, Dominican Republic, Guadeloupe, Guyana, Haiti, Martinique, Netherland Antilles, Puerto Rico, Saba, St. Barts, St. Eustacias, St. Maarten, St. Martin, Suriname, US Virgin Islands and Trinidad and Tobago.

### IDD Mobile

IDD calls from mobile phones will have rate parity with IDD from fixed lines plus airtime which will include the new IDD rates set out above.

### Bundled Products and Services

The Licensee shall be permitted to bundle regulated and unregulated services from the Relevant Date provided that the prices for regulated services shall not exceed that set out herein and the Licensee undertakes not to withdraw the regulated services on a stand alone basis from the market.

### Domestic fixed to mobile calls

Calling party pays to be introduced from the 1<sup>st</sup> August 2002. The charge to the fixed line calling party shall be a charge levied per minute over and above the per minute fixed line rate. The charge shall be:

<b>Time</b>	<b>Fixed to mobile charge</b>
For the first 3 months of calling party pays charging	50 cents
Thereafter	60 cents subject to clause 9 above

REGULATED SERVICES - Line Rental, fixed to mobile telephone calls and domestic fixed telephony wholly over the Licensee's own network. The price for interconnected services shall be determined in accordance with the relevant Telecommunications Act.

Rates applicable in St Lucia and St. Kitts and Nevis:

<b>Regulated Service</b>	<b>Price to be charged as at Relevant Date</b>
Line rental (business)	EC \$40.00 per month
Line rental (residential)	EC \$22.00 per month
Domestic telephone calls:	
Day rate 8am – 6pm Mon-Fri	EC\$.08 cents per minute
Evening rate 6pm – 8am Mon-Fri	EC\$.07 cents per minute
Weekend rate midnight Fri – midnight Sun	EC\$.05 cents per minute

Rates applicable in St Vincent and the Grenadines :

<b>Regulated Service</b>	<b>Price to be charged as at Relevant Date</b>
Line rental (business)	EC\$40.00 per month
Line rental (residential)	EC\$17.00 per month.
Domestic telephone calls:	
Day rate 8am – 6pm Mon-Fri	EC\$.08 cents per minute
Evening rate 6pm – 8am Mon-Fri	EC\$.07 cents per minute
Weekend rate midnight Fri – midnight Sun	EC\$.05 cents per minute

Rates applicable in Dominica

<b>Regulated Service</b>	<b>Price to be charged as at Relevant Date</b>
Line rental (business)	EC\$40.00 per month
Line rental (residential)	EC\$20.00 per month. Residential line rental will move to EC\$22. per month 12 months after the Relevant Date, or until the price cap arrangement set out in section 7 above is implemented whichever shall be the earlier.
Domestic telephone calls:	
Day rate 8am – 6pm Mon-Fri	EC\$.08 cents per minute
Evening rate 6pm – 8am Mon-Fri	EC\$.07 cents per minute
Weekend rate midnight Fri – midnight Sun	EC\$.05 cents per minute

Rates applicable in Grenada: Existing customers in Grenada will have the choice of Option A or the Option B pricing plan while new customers will be offered the Option B pricing plan. (If an account is not put in order within 1 month of disconnection, then the customer will be considered a ‘new’ customer for the purpose of this clause). The Licensee shall use reasonable endeavours to ensure that customers are aware when their opportunity to receive services under Option A pricing may be lost.

<b>Regulated Service – Option A</b>	<b>Price to be charged as at Relevant Date</b>
Line rental (business)	EC\$105.00 per month
Line rental (insert description)	EC\$45.00 per month
Domestic telephone calls:	No charge (flat rate)

<b>Regulated Service – Option B</b>	<b>Price to be charged as at Relevant Date</b>
Line rental (business)	EC \$40.00 per month
Line rental (residential)	EC \$22.00 per month
Domestic telephone calls:	
Day rate 8am – 6pm Mon-Fri	EC\$.08 cents per minute
Evening rate 6pm – 8am Mon-Fri	EC\$.07 cents per minute
Weekend rate midnight Fri – midnight Sun	EC\$.05 cents per minute

To the extent that the price of a regulated service is not specified in this Annex F, it shall remain at the appropriate rate the day prior to the Relevant Date.