

Technical Cooperation Document

I. Basic Information for TC

▪ Country/Region:	TRINIDAD AND TOBAGO
▪ TC Name:	Support to the digital connectivity strategy in Trinidad and Tobago
▪ TC Number:	TT-T1127
▪ Team Leader/Members:	Garcia Zaballos, Antonio (IFD/CMF) Team Leader; Anganu, Jaiwattie (IFD/CMF) Alternate Team Leader; Acevedo Calle, Daniela (LEG/SGO); Gauto, Victor (CCB/CGY); Iglesias Rodriguez, Enrique (IFD/CMF); Louis-Grant, Paula (VPC/FMP); Marquez, Claudia (IFD/CMF); Martinez Lopez, Cynthia (IFD/CMF); Puig Gabarro, Pau (IFD/CMF); Ramsumair-John, Priya Elizabeth (CCB/CTT); Wilks, Jason Malcolm (IFD/ICS)
▪ Taxonomy:	Client Support
▪ Operation Supported by the TC:	.
▪ Date of TC Abstract authorization:	24 May 2022.
▪ Beneficiary:	Republic of Trinidad and Tobago
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding:	OC SDP Window 2 - Institutions(W2C)
▪ IDB Funding Requested:	US\$250,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period (which includes Execution period):	24 months (24 months for execution)
▪ Required start date:	July 1st, 2022
▪ Types of consultants:	Firms
▪ Prepared by Unit:	IFD/CMF-Connectivity Markets and Finance Division
▪ Unit of Disbursement Responsibility:	IFD/CMF-Connectivity Markets and Finance Division
▪ TC included in Country Strategy (y/n):	y
▪ TC included in CPD (y/n):	n
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Institutional capacity and rule of law; Productivity and innovation; Social inclusion and equality

II. Objectives and Justification of the TC

- 2.1 The digital sector in Trinidad and Tobago is underdeveloped. The Broadband Development Index, published periodically by the IDB, places the level of digital development of Trinidad and Tobago in the 46th position among the 65 countries analyzed. The main cause of these low levels is the lack of digital infrastructure. According to the International Telecommunications Union (ITU), the penetration rate of fixed and mobile broadband services is just 24% and 49%, much lower than the data for the Organization for Economic Cooperation and Development (OECD) countries where the penetration of fixed broadband is 35% and the penetration of mobile broadband reaches 127%.
- 2.2 The lack of digital infrastructure in Trinidad and Tobago is due to: (i) lack of investment, partly motivated by a very low level of competition in both the fixed and mobile markets; (ii) outdated regulatory framework; and (iii) lack of a visionary broadband policy resulted in broadband investments largely left up to the local telecommunications providers.

- 2.3 To overcome these problems and head for a bright future, a National Broadband Plan, as the ultimate roadmap to the digitalization of Trinidad and Tobago, should be developed and put into action. It should start with a holistic diagnosis of the current situation and with the definition of clear, ambitious, and achievable objectives (whats, wheres, and whens). The plan is expected to foster economic growth by contributing to the enhancement of national competitiveness,¹ and to show visions to protect the relevant infrastructures to offer safe and stable services to the different users (public and private).
- 2.4 **Objectives.** The general objective of this non-reimbursable Technical Cooperation (TC) is to support the development of a national broadband plan for Trinidad and Tobago through the institutional strengthening of the entities involved in the coordination of this plan via the execution of in-depth diagnostic studies. Particularly, these studies aim to support the planning by studying the best practice of policies, strategies, and technologies. With the in-depth study of the current existing network environment (policies, technologies, market) and the lessons learned from the case studies analyzed, the TC will propose a tailor-made suggestion to the Trinidad and Tobago Broadband and Information and Communications Technology (ICT) National Plan.
- 2.5 **Beneficiaries.** The beneficiary of this TC will be the Government of Trinidad and Tobago through the Ministry of Digital Transformation and Telecommunications Authority of Trinidad and Tobago (TATT), Different Ministries (e.g., Ministry of Health, Education, etc.) and institutions (such as Agency of Spectrum, Universal Service Fund, etc.) will be consulted in the coordination of a national connectivity plan. Eventually, the private sector will be a long-term beneficiary due to the implementation and maintenance of the digital infrastructure that is deployed.
- 2.6 **Strategic alignment.** The TC is consistent with the priorities identified in the Second Update to the Institutional Strategy (AB-3190-2) and is aligned with the development challenge of: (i) Institutional Capacity and rule of law, by strengthening the institutions and regulations that contribute to the sustainability of the connectivity plan, (ii) Social inclusion and equality, by providing inclusive infrastructure services that will allow the continuity of the public services and the equality between urban and rural areas; and (iii) Productivity and Innovation, as it is aimed at allowing Trinidad and Tobago to be able to innovate and use ICT to enhance productivity and service provisions in the new age of IT. The TC is also aligned with the “Vision 2025” of the IDB and the Vision 2030 of the GOTT by the promotion of the digital economy in Trinidad and Tobago which will eventually contribute to the continuity of public services and productivity across key sectors of the economy. The TC also is aligned with the following strategic policy objectives: (i) strengthen the capacity of the state; (ii) provide inclusive infrastructure services; (iii) establish smart institutional frameworks; and (iv) improve regional infrastructure. Additionally, this TC is expected to contribute to the following IDB Group Corporate Results Framework 2020-2023 (GN-2727-1) indicators: (i) telecommunications infrastructure, contributions directed to develop extension and quality of telecoms infrastructure, including infrastructure; and (ii) public policy in telecommunications; contributions directed to increase the level playing-field

¹ García-Zaballos, A. / López-Rivas, R.: Governmental control on socio-economic impact of broadband in LAC countries. IDB, 2012.

competition and the transparency of the regulatory policy and reforms within the telecom sector. The TC is also aligned with the IDBG Country Strategy with Trinidad and Tobago 2021-2025 (GN-3071) since it will contribute to the digital transformation by identifying the roadmap for an investment master plan as part of a national connectivity agenda that will eventually increase the efficiency of the public sector as well as the productivity by bridging the gap between urban and rural areas. Finally, the TC is aligned with the Ordinary Capital Strategic Development Program (GN-2819-14) since it will define the set of projects to be included as part of the investment master plan included in the national connectivity agenda in Trinidad and Tobago by promoting sustainable and resilient infrastructure as well as by promoting inclusive social development through a connectivity plan that improves the digital transformation.

III. Description of activities/components and budget

- 3.1 The activities that are proposed in this project are divided into three main components, which define the strategic approach of this TC: Component 1 will include activities to analyze and identify the demands and forecast of the connectivity issues. Component 2 will support the analysis of case studies to identify best practices on connectivity strategies and policies. And component 3 will provide a proposal for the Trinidad and Tobago National broadband connectivity plan considering the result of Components 1 and 2. As part of the activities funded in component 3, the TC will disseminate and socialize the connectivity plan.
- 3.2 **Component 1. Analysis (US\$150,000).** The objective of this component is to identify and analyze the situation and the surroundings of the current Trinidad and Tobago national broadband.
- 3.3 **Activity 1.1. Demand forecast:** The scope to be implemented within this analysis will be: (i) study of the supply: identify the current supply of telecommunications services in the beneficiary country (households, hospitals, health centers, and public institutions like schools and education centers); and (ii) study of the demand: estimate the current demand for those services and forecast, considered political, economic, sociodemographic and cultural circumstances, especially considering the demands from the health organizations.
- 3.4 **Activity 1.2. Identification of sites:** This activity will identify the existing infrastructure (telecom, electricity, water, road, railway, etc.) and identification of the infrastructure gap to improve the level of connectivity across the country. Also, suggest the mapping of prioritized public locations to be connected through the design of prioritization criteria. The sites will be proposed in consideration of the budget, technical environment, and the opinions of the government.
- 3.5 **Activity 1.3. Technical specification:** This technical analysis includes, among others: (i) assessment of the existing available infrastructure; (ii) study of the current status of Trinidad and Tobago's broadband network (formation, design, equipment, bandwidth); and (iii) define technical specifications to provide nationwide connectivity.
- 3.6 **Component 2. Analysis of case studies on best practices (US\$25,000).** The objective of this component is to study the best practices, policies, and strategies to identify lessons learned on national connectivity plans with the ultimate goal of achieving specific lessons learnt for the case of Trinidad and Tobago. In this assessment, the project will consider the specific particularities of Trinidad and Tobago

to make sure that the set of recommendations are in accordance with the current and expected situation after the implementation of the national connectivity plan.

- 3.7 **Activity 2.1. Strategy:** This activity will support the analysis of case studies on national broadband planning, legal frameworks, and related policies to compare with existing legislation for a later proposal.
- 3.8 **Activity 2.2. Technology:** This activity will support technical case studies on connecting rural areas.
- 3.9 **Component 3. Proposal to the national broadband plan (US\$75,000).** The objective of this component is to produce and deliver a national connectivity plan that reflects the results of Components 1 and 2, including the list of projects, institutional model and specific regulatory framework that needs to be updated.
- 3.10 **Activity 3.1. Review of regulatory, policy and institutional framework:** Considering the output from components 1 and 2, this activity will support the actual design of a national broadband plan for Trinidad and Tobago. More specifically, the plan will include the set of policy and regulatory reforms that are needed to facilitate the sustainability of the investment master plan as well as the institutional framework to make sure there is a cross-cutting participation of different ministries and institutions in the future implementation.
- 3.11 **Activity 3.2. Design of a National Connectivity agenda with an investment masterplan:** This activity will identify a list of potential investment projects on digital infrastructure such as: Construction of a data center that could host and generate local content as part of the process of digital transformation in the country, backbone, and last mile investment requirement to improve the level of connectivity across the country. This activity will also consider a public consultation of the outcome of the whole project.
- 3.12 **Budget.** The total cost of this TC will be US\$250,000 which will be financed by the OC Strategic Development Program Window 2 – Institutions (W2C). The contribution will finance the hiring of consulting services (firms) for the development of the activities. Table 1 details this budget:

Table 1. Indicative Budget in (US\$)

Activity/Component	Description	IDB/W2C	Total Funding
Component 1	Analysis <ul style="list-style-type: none"> • Demand forecast • Identification of sites • Analysis on existing planning of network 	150,000	150,000
Component 2	Analysis of case studies <ul style="list-style-type: none"> • Review of strategies and technologies 	25,000	25,000
Component 3	Proposal to the national broadband plan (roadmap with an investment master plan) <ul style="list-style-type: none"> • Review of regulatory, policy and institutional framework • Design of a National Connectivity agenda with an investment masterplan 	75,000	75,000
TOTAL		250,000	250,000

IV. Executing agency and execution structure

- 4.1 The executing agency will be the Bank through the Connectivity, Markets, and Finance Division (IFD/CMF) in coordination with the Bank country office in Trinidad and Tobago. The justification for this execution structure is: (i) the Bank has the technical experience to coordinate and execute the different activities included in the TC; (ii) TC will need an extensive coordination with different ministries, institutions and organizations within Trinidad and Tobago including, academic institutions, and private sector firms; and (iii) the beneficiary requested the Bank to be the executor given the technical difficulties related to the project. Furthermore, the Bank is experienced in working with international networks to produce studies of this nature and can ensure the sustainability of the implementation of the project in line with the Operational Guidelines for Technical Cooperation Products (GN-2629-1) and Procedures for the Processing of Technical Cooperation Operations and Related Matters (OP-619-4 Annex II, C 2.2).
- 4.2 The supervision and coordination of the consultant's work will be the responsibility of Antonio García Zaballos (IFD/CMF) Team Leader and will follow the Bank's procurement policies.
- 4.3 **Procurement.** The Bank will be responsible for the selection and hire of the consulting services. All activities to be executed under this TC have been included in the Procurement Plan (see Annex II) and will be contracted in accordance with Bank policies as follows: (i) AM-650 for Individual consultants; (ii) GN-2765-4 and Guidelines OP-1155-4 for Consulting Firms for services of an intellectual nature; and (iii) GN-2303-28 for logistics and other related services. These activities are scheduled for completion within 24 months of approval of the TC. All products from this TC will be the intellectual property of the Bank.

V. Major issues

- 5.1 This project entails two risks that could potentially affect: (i) the lack of coordination across different institutions within the beneficiary country; and (ii) the lack of technical expertise to deal with the large business like the deployment of infrastructure beyond national borders. The first risk will be mitigated by establishing an inter-agency task force led by the Ministry of Digital Transformation (MDT) and/or the Ministry of Planning and Development (MPD) that involves all the institutions required. The second risk will be reduced through the cooperation between the Bank, and renowned international institutions which could provide specific support, knowledge, and training throughout the execution of the project, for instance Korean Institutions.

VI. Exceptions to Bank policy

- 6.1 None.

VII. Environmental and Social Strategy

- 7.1 This TC will not finance feasibility or pre-feasibility studies of investment projects nor associated environmental and social studies; therefore, it does not have applicable requirements from the Bank's Environmental and Social Policy Framework (ESPF)".

Required Annexes:

[Request from the Client - TT-T1127](#)

[Results Matrix - TT-T1127](#)

[Terms of Reference - TT-T1127](#)

[Procurement Plan - TT-T1127](#)