

# Emphasizing regional potential

## The tech potential of the Caribbean

The Americas, especially the Caribbean islands, are experiencing digital transformation (DX) across various sectors such as tourism, finance, public services, and ICT. With rising internet accessibility and mobile technology adoption, businesses and governments are collecting a vast amount of data which is processed and stored digitally. However, the collected information is not leveraged in favor of the region's economic development - at least not yet. For this to be achieved, information must be linked with each other, datacenters will play an integral role in support of this advancement.



Giovanni King - CEO

## Creating a cluster of connected Caribbean Datacenters- sovereignty and geo-redundancy

Most Eastern Caribbean islands are prone to natural disasters, such as hurricanes and volcano eruptions. Geo-redundancy, the distribution of mission-critical components or infrastructures (e.g., servers) across multiple datacenters in different geographic locations, is vital to ensuring business continuity and speedy disaster recovery process in case of a natural disaster.

Caribbean islands typically store their data in the US, Europe, or elsewhere. However, doing so relinquishes control of a valuable asset, which seriously threatens their country's sovereignty. To avoid this, a cluster of connected datacenters in the Caribbean could be part of a common approach to keep our information in the region while ensuring the creation of a single Caribbean ICT space and further stimulating DX processes.

## Caricom single market and economy

Increased connectivity across Caribbean datacenter infrastructure will enable lower latency and IP transit costs, reducing barriers to the development of the regional digital economy. By continuing to seek solutions outside of the region, Caribbean islands perpetuate a situation in which their local businesses cannot compete.

# Emphasizing regional potential

From a political perspective, it's essential to understand that Caribbean governments have been advocating for two different issues: creating a CARICOM Single Market and Economy and a CARICOM single ICT space. Creating a cluster of connected datacenters contributes to this development and aligns with what Caribbean leadership has been advocating for.

By creating a platform for a digital economy development in the Caribbean, the governments are ensuring that their citizens can connect and share information securely. In addition, by avoiding duplication of systems and infrastructure and utilizing existing resources, the operational costs associated with establishing and maintaining the digital economy platform are reduced.

To illustrate the benefits of creating a CARICOM single ICT space, let's look at this from the perspective of a streaming service such as Netflix, Disney+ or Amazon Prime. Curaçao, with a population of approximately 150.000 people, is a small market for this provider's services. To ensure that clients have good access to their services, the providers host a caching server on various islands, streaming the most watched programming locally and providing a higher quality of service. However, by creating a cluster of connected datacenters, the streaming service no longer needs a separate content cache for each of the 50 different islands; this makes for efficiency that currently doesn't exist in the Caribbean. Instead of a market of 150.000 people, a market of 40+ million people is created, this is an economic block that global content providers cannot ignore.

## **Challenge: submarine cable systems**

One of the Caribbean region's most significant challenges when considering creating a CARICOM single ICT space is related to infrastructure limitations. Islands must be connected through submarine cable systems to gain access to the internet; in most cases, the submarine cable systems needed to gain internet access are managed or owned by a consortium of companies, meaning that there are multiple providers. However, once a cable lands on one of the islands, the landing party - often part of the consortium of companies - is the one that gains control over access to that submarine cable, subject to local rules and regulations; this severely hinders competition because the landing party is now in control of who can deliver access to the internet to an island and can determine what the competitor can or cannot do on the island.

In addition to this, because governments left the development of the submarine cable systems ecosystem to the operators, the region is now facing a challenge where several of the main cable systems are reaching the end of their operational life.

# Emphasizing regional potential

To make things worse: there are no active plans by governments to address this issue. There are private initiatives that will resolve the issue for some territories but that is not enough to support the regions ambitions and participation in the global digital economy.

## All is not lost

There are also positive developments the Caribbean region can focus on. Curaçao for instance is actively looking at private initiatives addressing the operational end of life of cable systems and the EU has the objective to guarantee that the Caribbean islands are connected in a way that can guarantee future development and participation in the digital economy.

The Caribbean region can become an important economic market, and collaboration and partnerships are key to making this achievable. Working together, we can create a CARICOM single market and economy and CARICOM single ICT space.