



Pan-Channel Islands Consultation on Spectrum Awards in the 2.6GHz Band

Consultation Document

Channel Islands Competition & Regulatory Authorities

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1. Introduction

- 1.1 The effective use of the radio spectrum for telecommunications purposes is a matter of public interest for the Islands and, in this context, allocation of spectrum goes beyond the interests of one or more telecommunications operators. It is important that licences to use spectrum are granted in such a way as to make the most efficient use of it and render the maximum benefit to the Islands.
- 1.2 Ofcom issues licences for spectrum use in the Channel Islands, conditional on there being a local telecoms licence in place. CICRA's role is to ascertain the level and nature of demand for spectrum which may be available for allocation. When the assessment and selection process is complete, CICRA provides a recommendation to Ofcom which is then considered by that body under its regulatory role.
- 1.3 The purpose of this consultation is to assess demand in the Channel Islands for unallocated spectrum in the 2.6 GHz band. Following an assessment of responses to this Consultation, CICRA will determine whether to proceed with any recommendation to Ofcom or, if there is excess demand, whether an alternative competitive process is required.

2. Structure and Timetable for Consultation

- 2.1 This consultation document is structured as follows:

Section 3	Government Policy and CICRA's Objectives	Records the set of guidelines and objectives that guide CICRA's processes in determining spectrum allocation generally
Section 4	2.6 GHz Spectrum	Discusses spectrum availability in Jersey and Guernsey and related issues
Section 5	Next Steps	Sets out likely future steps
Appendix 1	Legislative and licensing background	This section outlines the legal bases for the JCRA and GCRA's roles in the allocation of spectrum for telecommunications purposes as well as the role of UK legislation in this area

- 2.2 Interested parties are invited to submit comments to CICRA in writing or by email on the matters set out in this paper to the following addresses:

2nd Floor, Salisbury House 1-9 Union Street St Helier Jersey JE2 3RF	Suite 4, 1st Floor Plaiderie Chambers La Plaiderie St Peter Port Guernsey GY1 1WG
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2.3 All comments should be clearly marked '*Pan-Channel Island Consultation on Spectrum Awards in the 2.6 GHz Band*' and should arrive by 5pm on 17 April 2018.

2.4 In line with CICRA's consultation policy, responses to the consultation will be made available on the CICRA website. Any material that is confidential should be put in a separate annex and clearly marked as such so that it may be kept confidential. CICRA regrets that it is not in a position to respond individually to the responses to this consultation.

3. Government Policy & CICRA Objectives

3.1 In **Jersey**, the Digital Policy Framework provides that advanced digital infrastructure will be supported by the optimal use of spectrum so that consumers have access to the range of services they require.

3.2 The Digital Sector Strategic Framework for **Guernsey**, describes an aim to drive digital sector economic growth and competitive advantage. Under its aim to deliver responsive legislation and regulation, one of the ambitions under this framework is to make Guernsey the location of choice for test-bedding new products.

3.3 In terms of **2.6GHz spectrum**, in May 2013 the Minister for Economic Development in Jersey and Minister for Commerce and Employment in Guernsey wrote a joint letter to CICRA regarding the award of 800MHz and 2.6GHz spectrum, outlining an agreed policy position as follows:

- We expect the roll-out of 4G services will deliver benefits to mobile consumers in the Channel Islands, as well as to the economies of Guernsey and Jersey
- We are agreed that it will be beneficial to operators and consumers if spectrum used for 4G services in the Channel Islands is aligned with that of the UK and France (800MHz, 1800MHz and 2.6GHz)

3.4 CICRA follows certain objectives to guide process and criteria for joint allocation of spectrum in the Channel Islands. The first three objectives summarise the duties that CICRA has, in one form or another, in the Islands' respective legislation. The last one is necessary to ensure that Ofcom is able to act on CICRA's recommendations, as they need to be made in furtherance of objectives consistent with those assigned to Ofcom:

- i) To further consumers' interests in the short and long term, having regard to prices and costs, and the availability and range of services suitable to consumers' different needs
- ii) To promote competition as a mechanism to further its consumer interest objective
- iii) To have regard to and, where it lies within its powers and is practicable, to lessen the impact of the spectrum dependent activities it regulates on the environment
- iv) To the extent allowed by legislation, to deal with the Jersey and Guernsey Bailiwicks as a single economic and social entity

- v) To seek to ensure the processes and criteria adopted by CICRA are consistent with Ofcom’s duties, including the duty to secure the optimal use of wireless telegraphy of the electromagnetic spectrum

4. 2.6 GHz Spectrum

Previous CICRA Decisions on this Band

4.1 The following lists previous CICRA publications on spectrum allocation in this band:

Consultation	Decision Reference	Date
Consultation on distribution of Spectrum in 2600MHz Band	2009-T01	June 2009
2.6GHz Licence Award	10/02 (Gsy)	February 2010
Pan CI Consultation on 800MHz and 2.6GHz spectrum awards	12/28	April 2012
Information Note – Pan CI Consultation on 800MHz and 2.6GHz Spectrum Awards	12/30	May 2012
Pan CI Second Consultation on award of 800MHz and 2.6GHz spectrum	13/54	December 2013
Consultation on Spectrum Award in the 2.6GHz Band – Recommendation	17/26	September 2017

4.2 Responses to earlier consultations had indicated that the 2.6GHz band was less attractive to existing operators. However, responses to the 2017 consultation appear to indicate that the 2.6GHz band was in greater demand from both existing and new operators. Following an assessment of the responses to the consultation in 2017, CICRA decided to make a recommendation to Ofcom regarding an allocation of spectrum to Flo Connect in Guernsey only¹. CICRA therefore decided that it would consider an appropriate forum for any further recommendations in this band.

Current Allocation

4.3 The current allocation in this band across both islands is as follows. Whilst CICRA has made a recommendation to Ofcom, the Flo Connect allocation is yet to be confirmed:

Sure	Airtel	JT	Flo Connect	Unallocated
2620.0 – 2630.0	2630.0 – 2640.0	2040.0 – 2650.0	TBA	
10	10	10	5 (Gsy only)	35 Gsy / 40 Jsy

Requests for Additional Spectrum

4.4 All three existing Channel Island operators (Airtel, JT and Sure) have now requested an additional 10 MHz of spectrum in the 2.6GHz band, taking their allocation to 20 MHz each. The

¹ Whilst the recommendation has been made to Ofcom, the allocation has yet to be made.

reasons given for the request by all operators is the considerable data volume growth since the original launch of 4G services.

4.5 This would leave 5MHz in Guernsey and 10MHz in Jersey unallocated, and for the new allocations to be non-fragmented, require the operators to move their current allocation.

Q1: Respondents are invited to comment on the allocation of additional spectrum to Airtel, JT and Sure, taking their allocation to 20 MHz per operator, and the re-organisation of this band.

5. Next Steps

5.1 The effective use of spectrum for telecommunications purposes is a matter of public interest in the Islands and, in this context, allocation of spectrum goes beyond the interests of one or more operators. It is therefore important that recommendations are made in such a way as to make the most efficient use of spectrum and deliver the maximum benefit to the Islands.

5.2 Where supply of spectrum does not exceed demand CICRA may decide to make a recommendation to Ofcom for an award of spectrum and, if so, will publish a decision to do so.

5.3 The purpose of this consultation is to seek interest from parties in order to receive comments on requests for additional in this band.

5.4 CICRA will assess responses to the above matters in order to inform its views on whether to recommend to Ofcom that an additional allocation be made as requested.

Appendix 1: Legislative and Licensing Background

Legal Framework

5.5 The use of spectrum in the Channel Islands is governed by UK legislation and international agreements between the UK and other countries on the use to which various bands of radio spectrum can be put and the avoidance of interference across borders. The licensing of spectrum, in the UK and in the Channel Islands, is carried out by the Office of Communications (**Ofcom**), by virtue of powers given to it by the *Wireless Telegraphy Act 2006 (WTA)* and the *Communications Act 2003 (UK Communications Act)*².

5.6 Ofcom's principal and secondary duties are in S.3 of the UK Communications Act ('General Duties of Ofcom'), which provides that:

- (1) *It shall be the principal duty of OFCOM, in carrying out its functions –*
 - (a) *To further the interests of citizens in relation to communications matters; and*
 - (b) *To further the interests of consumers in relevant markets, where appropriate by promoting competition*
- (2) *The things which, by virtue of subsection (1), OFCOM are required to secure in the carrying out of their functions include, in particular, each of the following:*
 - (a) *The optimal use for wireless telegraphy of the electro-magnetic spectrum;*
 - (b) *(...)*

5.7 Moreover, S.3 of the WTA ('Duties of OFCOM when carrying out functions') further specifies Ofcom's duties as follows:

- (1) *In carrying out their radio spectrum functions, OFCOM must have regard, in particular, to –*
 - (a) *The extent to which the electromagnetic spectrum is available for use, or further use, for wireless telegraphy;*
 - (b) *The demand for use of the spectrum for wireless telegraphy; and*
 - (c) *The demand that is likely to arise in future for the use of the spectrum for wireless telegraphy*
- (2) *In carrying out those functions, they must also have regard, in particular, to the desirability of promoting –*
 - (a) *The efficient management and use of the part of the electromagnetic spectrum available for wireless telegraphy;*
 - (b) *The economic and other benefits that may arise from the use of wireless telegraphy;*
 - (c) *The development of innovative services; and*
 - (d) *Competition in the provision of electromagnetic communications services.*

5.8 Licences granted by Ofcom for the Channel Islands are issued subject to there being in force a licence granted to the Licensee by either the JCRA or GCRA for the provision of a telecommunications service in that territory.

² For the Channel Islands, as and to the extent that these Acts are extended to Jersey by *The Wireless Telegraphy (Jersey) Order 2006* and Guernsey by *The Wireless Telegraphy (Guernsey) Order 2006*.

5.9 For the purposes of spectrum allocation, the respective roles of CICRA and Ofcom in coordinating the award of spectrum licences in the Channel Islands are as follows:

- CICRA ascertain the level and nature of demand for the spectrum which is on offer. When the assessment and selection process is completed, a recommendation is provided to Ofcom.
- Ofcom issues licences for spectrum use under the WTA where it is satisfied CICRA's recommendation is consistent with its own statutory duties.