



**CICRA media release**

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**CICRA announces next stage of its review to improve business connectivity in Guernsey**

CICRA (the Channel Islands Competition and Regulatory Authorities) has announced the findings of the first stage of a key review of telecom business services in the Channel Islands.

CICRA started its review in 2013 and staff engaged in a series of discussions with industry representatives and businesses. A large number of responses to the initial review were received and indicated that the most important business connectivity features were reliability, service quality and resilience as well as competitive pricing.

CICRA interim chief executive, Michael Byrne, said: "After gathering opinion we have now published our proposals for the next stage of the review identifying what we have assessed, the conclusions we have drawn and what we will review in the next stage.

"Our initial findings followed an established and recognised process while taking into account the particular circumstances of the Channel Islands."

In all stages of the review CICRA is focussed on the provision of leased lines which are the essential building blocks for secure, dedicated data connections for businesses between fixed locations.

The regulator has examined the competitive conditions that prevail in the retail and wholesale leased lines markets. This is a process that is required by law to identify where greater obligations and scrutiny are required of operators.

“Our findings are the first step to improving the ability of alternative operators to be able to offer alternative business connectivity options in Guernsey,” Mr Byrne said.

“Given market developments there have been some significant changes and our conclusions reflect this.”

CICRA found that separate markets exist for on- and off-island leased lines and there are significant differences in relation to barriers to entry, supply and pricing conditions between the two kinds of leased lines.

CICRA has proposed that Sure has significant market power for wholesale on-island leased lines but not for retail leased lines or in the provision of off-island connectivity.

The regulator is therefore proposing that, subject to these findings being confirmed, the next stage of its review in Guernsey will focus on remedies in the wholesale leased line market.

It will also be looking to ensure there is a seamless transition from off-island to on-island capacity to enable access from alternative off-island links where such options become available. For instance if another operator were to be able to provide their own off-island connectivity capacity there should be no barriers to them doing so unless Sure can demonstrate that it is not technically or economically feasible to do so.

Those wishing to respond to the consultation should provide their comments by 02 June 2014. CICRA will announce its decision in July.

**ENDS**

**About CICRA:**

The Channel Islands Competition and Regulatory Authorities or 'CICRA' is the name given to the Jersey Competition Regulatory Authority (JCRA) and the Guernsey Competition and Regulatory Authority (GCRA) (formerly the Office of Utility Regulation). The JCRA was established under the Competition Regulatory Authority (Jersey) Law, 2001, and the GCRA was established under The Guernsey Competition and Regulatory Authority Ordinance, 2012. In Jersey, the telecoms and postal sectors are regulated by the JCRA, which is also responsible for administering and enforcing the Competition (Jersey) Law 2005. In Guernsey the telecoms, postal and electricity sectors are regulated by the GCRA, which is also responsible for the administration and enforcement of the Guernsey competition law since it came into force on 1 August 2012.

By working together and sharing resources and expertise between the islands, CICRA strives to ensure that consumers in all the Channel Islands receive best value, choice and access to high quality services.