



## **The Jersey Competition Regulatory Authority**

**AIMS AND OBJECTIVES MARCH TO DECEMBER 2005**

**March 2005**

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### Introduction

This document sets out the JCRA's main aims and objectives for 2005 across the various areas of its activity. We believe our stakeholders, in particular Jersey consumers and businesses, should know what we are planning to do, and why we are planning to do it- so they can take this into account in their own planning. This is the purpose of publishing this document. The JCRA will keep its aims and objectives under review, and new ones may be added as the year progresses.

The JCRA's previous Strategy Plan expired in February 2005. In October 2005, we intend to consult the Jersey public on a draft of our 2006 Strategy Plan before it is finalised, and to repeat the same process for subsequent years. The purpose of this new planning process is not only to increase transparency, but also to give our stakeholders a real say in what aims and objectives the JCRA should set itself. This document can therefore be seen as bridging the period between the expiry of the previous plan, and the start of our new planning process for 2006 and subsequent years.

## The JCRA's Functions

### *Economic Regulation*

In common with many jurisdictions in the European Union and further afield, the States of Jersey has decided to give its telecommunications and postal organisations, Jersey Telecom and Jersey Post, the freedom to act commercially in a fast moving environment, by incorporating them as companies, currently wholly- owned by the States. The States also decided to withdraw the statutory monopolies which Jersey Telecom and Jersey Post had previously enjoyed to allow for the possibility of competition in these sectors. The JCRA was given the task of ensuring that these organisations continue to satisfy all current and prospective demands for services, while promoting competition where possible. We do this primarily through the conditions of the licences granted to each organisation, which it is our responsibility to issue and enforce.

### *Competition Law*

As well as its role as regulator of the telecommunications and postal sectors, the JCRA will be responsible for administering and enforcing the new Competition (Jersey) Law, due to come into force in 2005. The aim of the Competition Law is to prevent businesses and consumers being harmed by anti-competitive or exploitative behaviour in the market, such as price-fixing and abuse of market power.

### *Advisory*

We advise the EDC and other States Committees from time to time on matters of economic regulation and competition. Under the Competition (Jersey) Law, this will include the ability to advise States Committees on whether any aspects of Jersey legislation sponsored by the relevant Committee is producing anti-competitive effects which are more harmful to consumers than the benefits the legislation is aimed to achieve.

Our Aims and Objectives March to December 2005

Aim 1: to create a competitive environment in the telecommunications sector which enables users to benefit from greater choice and value for money

<u>Objectives</u>	<u>Actions</u>	<u>Target Dates</u>
Ensure that Jersey Telecom ('JT') allows other operators to interconnect with its network, thereby allowing them to offer local-to-local call services in competition with JT.	Monitor the progress of negotiations between JT and other operators on the terms of interconnection, with a view to resolving any difficulties.	March/April
Introduce competition and advanced mobile services for the benefit of Jersey mobile users.	Assess responses to mobile consultation paper dated 31 January, decide on future policy.	April
Investigate practices by operators which may contravene licences and take effective remedial action.	Complete current investigations and take final positions on whether there is any licence infringement.	March- May
	Investigate any new suspected licence breaches.	March to December
Ensure that JT publishes separated accounts for each of its businesses, helping us to ensure fair competition.	Issue Direction requiring JT to implement accounting separation.	April
Promote innovation and competition in broadband services	Issue Consultation Paper on Future Broadband Strategy (including 'local loop unbundling')	September

Aim 2: to set the new Regulatory Framework for Postal Services, following the Transfer of Jersey Post to a Commercial Environment

<u>Objectives</u>	<u>Actions</u>	<u>Target Dates</u>
Prepare the necessary regulatory framework for the corporatisation of Jersey Post in 2005 under the Postal Services (Jersey) Law ('PSL').	Take final position on conditions to be incorporated in Jersey Post's licence, following formal consultation process initiated on 1 February 2005	April
Protect postal users from potentially excessive postal charges	Conduct efficiency review of Jersey Post	June to October
	Decide (following consultation) whether to impose a cap on Jersey Post's postal charges, and if so what services should be included and how the cap should be calculated .	Consultation document to be published in October, decision in December
Assess scope for introducing competition in postal services (if and to the extent this is consistent with the JCRA's duties under Article 8(1) of the PSL)	Review any applications for new licences	June to December
Ensure compliance by operators with licences	Investigate any suspected licence infringements	June to December

Aim 3: to prepare for the introduction of, and implement, the Competition (Jersey) Law

<u>Objectives</u>	<u>Actions</u>	<u>Target Dates</u>
Ensure understanding by businesses and consumers of the Competition (Jersey) Law.	Publish guidelines on various aspects of the Law, to help businesses comply with it, and to enable businesses and consumers to understand the remedies open to them.	May-June
	Follow-up guidelines with seminars for businesses and consumers.	May- June
Investigate suspected infringements of the new rules, deal with requests for approval of commercial transactions		Starting from date when prohibitions take effect (to be determined by States)