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## **JCRA Media Release**

31 January 2011

### **JCRA Welcomes JT's moves on Regulatory Accounts**

The Jersey Competition Regulatory Authority (JCRA) has welcomed Jersey Telecom's publication of its regulatory accounts (RA). The JCRA believes the publication of the accounts for the first time addresses a key gap in the regulatory environment.

The lack of publication has been a source of frustration for new entrants to the telecoms market and also a source of disagreement between the JCRA and JT. RAs enable other telecommunication businesses in Jersey to understand the relationship between JT's wholesale and retail charges in markets where it is dominant. The accounts are a regulatory tool used in most jurisdictions to help ensure a level playing field in the telecoms market.

John Curran, the JCRA's Executive Director said: 'I am pleased that the JT has agreed to publish these accounts. While the level of detail included is less than might be available in other jurisdictions, it is an important first step.

'The JCRA is currently working with JT to develop more appropriate reporting of key financial information and I expect further progress on this issue over the next number of months.'

Following discussions with the JCRA, JT has also decided to reverse the increases it made to its interconnection charges in 2009. The JCRA is separately reviewing these charges to ensure they are set appropriately.

‘Interconnection services are a key enabler of competition and the charges for such services have the potential to significantly impact the price that consumers pay for telephone calls so we are pleased JT has made this decision,’ Mr Curran said. ‘The increased charges applied by JT in 2009 added over £300,000 to the costs incurred by new entrants to the market. We believe more needs to be done because, even with rates now back at 2009 levels, they are still 50% higher than Guernsey for key services and amongst the highest in Europe. This means consumers are paying more for the phone services than they might need to which is clearly is not helpful to the business community, to ordinary residential consumers or to the development of a competitive telecoms market’.

All enquiries concerning this matter should be directed to John Curran, Executive Director, on +44 (0)1534 514990.

## **NOTES TO EDITORS**

### **About the JCRA**

The JCRA is an independent authority established by the States of Jersey to enforce Jersey’s competition law and regulate its telecommunications and postal sectors. In each of these areas, the JCRA’s primary mission is to promote consumer welfare through efforts that encourage lower prices and greater choice and innovation in the goods and services available in Jersey. The JCRA is recognised internationally as a leading voice in the application of competition law and policy in small economies.

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