



## NEWS RELEASE

30 September 2021

### **JCRA review of Wholesale Broadband encourages more competition**

The wholesale price of broadband in Jersey will start to come down over a five-year period from next month, encouraging more competition in the marketplace and therefore benefitting consumers.

The Jersey Competition Regulatory Authority (the Authority) has issued the Final Notice as part of its consultation on the price of Wholesale Broadband, instructing JT (Jersey) Limited (JT) to reduce the price of its 1Gbps broadband product to Other Licensed Operators (OLOs) to £27.94 per month on 1<sup>st</sup> October 2021, and then in further annual increments to £24.51 per month on 1<sup>st</sup> October 2025.

The Authority deems that JT has significant market power in the provision of wholesale access to the internet through its fibre network. JT sells access to its network at the wholesale price to other operators who then provide broadband to their customers. The retail price for the end service to customers is then set by their choice of operator.

As a result of the Authority's 'Wholesale broadband access services: price review', consumers will benefit from the reduction in wholesale prices and another OLO has been attracted to the market.

Tim Ringsdore, CEO of the Authority said, "We are delighted with the outcome of this process, which will not only result in lower prices for consumers, but it also supports the government's aim of controlling inflation. It's pleasing to see Airtel-Vodafone entering the market to offer greater competition and new fixed broadband solutions. Access to the internet is fundamental for all consumers and by conducting this review we have ensured that the price at which people do that is competitive and fair. We expect that all operators will pass this price reduction on to their customers."

Sid Ahlawat, CEO of Airtel-Vodafone said, "It has always been our intention to enter the fixed broadband market but the outcome of this review by the Authority has given us further confidence and the ability to offer value and choice in this space, much in the same way we have done with mobile technology."

Paul Acton, Chief Executive of Sure Jersey said "Sure has offered broadband services in Jersey since 2009 and has been pushing for JT to offer reduced wholesale prices for several years, to pass those benefits on to its customers. Sure also advocated for a more flexible range of broadband services in the market so that it could offer more affordable packages to meet our customers' needs. We therefore welcomed the introduction of bitstream last year and are pleased that the JCRA's market review has now resulted in lower wholesale prices, meaning that we will be able to introduce lower-priced options into our already competitively priced broadband product range. We look forward to offering these reduced-cost broadband services to customers in the Jersey market in the near future."

Daragh McDermott MD Channel Islands said: "JT has invested close to £50m in Jersey's full fibre broadband network, which has already served the island well through the pandemic to date and was recently ranked as the fastest in the world. Other operators have been able to offer their services over that network right from the start and JT welcomes that fair competition, as well as the choice it brings to

local consumers. We will continue to offer the best value retail packages and deliver innovative products."

The new prices come into effect on 1<sup>st</sup> October 2021.

## **Ends**

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Issued by ORCHID

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## **NOTES TO EDITORS:**

**The full document relating to the Final Notice can be found at:**

**<https://www.jcra.je/cases/2020/t-011-wholesale-broadband-access-services-price-review/t-011-wholesale-broadband-access-services-price-review-final-notice/>**

## **About The Jersey Competition Regulatory Authority:**

The JCRA was established under the Competition Regulatory Authority (Jersey) Law, 2001. It is responsible for administering and enforcing the Competition (Jersey) Law 2005 and also regulates the telecoms and postal sectors and the Ports of Jersey.

The JCRA strives to ensure that the markets work well for the benefit of all stakeholders, including Government, business, citizens and consumers facilitating best value, choice and access to high quality services.