



Case T-083

Telecoms Market Review

Draft Decision

Document No: JCRA 25/04

Date: 26 February 2025

Jersey Competition Regulatory Authority  
2<sup>nd</sup> Floor Salisbury House, 1-9 Union Street, St Helier, Jersey, JE2 3RF  
Tel 01534 514990  
Web: [www.jcra.je](http://www.jcra.je)

## Contents

1	Executive summary	1
2	Background	3
	Scope of the Review	3
	Consultation process	4
	Government policy	5
	Current regulatory practice	6
	Structure of this document	8
3	Approach to the Review	9
	Approach to market definition	9
	Assessing whether markets are susceptible to regulation	10
	Assessment of SMP	11
	Approach to remedies	11
4	Fixed broadband	13
	Market definition	14
	Three criteria test	16
	SMP assessment	16
	Remedies	17
5	Fixed voice	19
	Market definition	20
	Three criteria test	23
	SMP assessment	23
	Remedies	24
6	Leased lines	27
	Market definition	28
	Three criteria test	31
	SMP assessment	32
	Remedies	32

7	Mobile services	34
	Market definition	35
	Three criteria test	38
	SMP assessment	39
	Remedies	39
8	Authority Draft Decision	40
9	Next Steps	42
	Annex 1 – Legal and Licensing Framework	44
	Legal background	44
	Licensing framework	45
	Annex 2 – Current regulatory practice and precedent	47
	Approach to regulation - by jurisdiction	47
	Jurisdiction specific - observations	48
	Annex 3 – Key market data	50
	Annex 4 – Glossary	52

## 1 Executive summary

- 1.1 This document is the Jersey Competition Regulatory Authority's (the **Authority**) Draft Decision for the Telecoms Market Review (the **Review**).<sup>1</sup> Telecoms services and the regulatory framework governing the supply of these services is critical to the island economy. Under the Telecommunications (Jersey) Law 2002 (the **Law**), the Authority has a duty to protect and further the interests of telecoms users through the promotion of competition.
- 1.2 This Draft Decision develops a refined regulatory framework, enabling the continued development of competition while establishing a basis for the effective regulation of the telecoms sector in the future. It is also forward-looking in setting out a broad policy framework to support the development of future telecoms services.
- 1.3 The Draft Decision sets out market definitions for all relevant telecoms markets, assesses significant market power (**SMP**) in markets considered to be susceptible to economic regulation; and where appropriate, sets out specific regulatory measures (remedies) designed to address any market failures.
- 1.4 The review finds that JT (Jersey) Limited (**JT**) holds SMP in a series of telecoms markets, e.g. fixed broadband services. The Authority's Draft Decision proposes that JT continues to be subject to certain obligations, such as the provision of regulated wholesale products and services to Other Licensed Operators (**OLOs**). The table below summarises the Draft Decision which is presented in full in Chapter 8.

*Table 1: Outline summary of the Authority's Draft Decision*

Market	Stage	Draft Decision
Fixed broadband	Market definition(s) & SMP	Retail and wholesale fixed broadband connectivity provided over any technology, and for any speed, within the Bailiwick of Jersey. JT has SMP in each of the defined markets.
	Remedies	Continuation of the existing wholesale access obligation, combined with a wholesale cost-based price control.
Fixed voice	Market definition(s) & SMP	Retail and wholesale provision of voice services from a fixed location within the Bailiwick of Jersey. Wholesale voice call termination services on each operator's network. JT has SMP in each of the defined retail and wholesale markets. For fixed termination, each operator has SMP on their own network.
	Remedies	Continuation of the existing wholesale access obligation, combined with the continuation of Wholesale Line Rental (WLR). For fixed termination, to consider whether current policy requires updating or amendment.
Leased Lines	Market definition(s) & SMP	Retail and wholesale market for high quality dedicated capacity private circuits, comprising all bandwidths, used for connection between two fixed locations within the Bailiwick of Jersey. JT has SMP in each of the defined markets.

<sup>1</sup> All case documents can be found at: [T-083 – Telecoms Market Review](https://www.jcra.je/T-083-Telecoms-Market-Review) (jcra.je)

Market	Stage	Draft Decision
	Remedies	Continuation of the existing wholesale access obligation, combined with a wholesale cost-based price control. Dark fibre maintained as a regulatory option.
Mobile services	Market definition(s) & SMP	Retail and wholesale mobile voice and data services provided over any mobile technology generation, within the Bailiwick of Jersey. Wholesale call termination services on each mobile operator's network.
	Remedies	Not proposed for mobile retail and wholesale services. For mobile termination, to consider whether current policy requires updating or amendment.

- 1.5 In addition, the Draft Decision recommends further work on key products and areas of telecoms connectivity. These include further consideration of fixed number portability and the development of a wholesale broadband-line only product. Views are also sought on data centre access and connectivity in Jersey.
- 1.6 The Authority is consulting on its Draft Decision and would welcome stakeholder input and views on the consultation questions set out in this document and presented together in Chapter 9. The consultation period closes on 23 April 2025.
- 1.7 A Final Decision on the review is scheduled for completion and publication in summer/autumn 2025. The Authority will take forward separate programmes of work on remedies, for example on updating the wholesale broadband price control. This and other projects will be progressed as part of the Authority's work in 2025 and beyond.

## 2 Background

- 2.1 Telecommunication services are regulated in Jersey under the Telecommunications (Jersey) Law 2002 (the **Law**). The primary duty of the Authority is to ensure that (so far as reasonably practicable) telecommunications services are provided both within Jersey and between Jersey and the rest of the world, to ensure that all current and prospective demands for such services are satisfied.
- 2.2 The Law also imposes duties on the Authority to protect and further the short-term and long-term interests of users and to promote competition among those engaged in commercial activities connected with telecommunications in Jersey. Further detail on the Legal and Licensing Framework is included as Annex 1.
- 2.3 The rest of this background chapter covers the following:
- Scope of the Review;
  - Consultation process;
  - Government policy;
  - Current regulatory practice; and
  - Structure of this document.

### Scope of the Review

- 2.4 In this Review the Authority is considering the full range of telecoms services provided in Jersey to residential and business customers (and the wholesale inputs that support those services). The main retail services include:
- For residential customers: telephony (both fixed and mobile) and broadband; and
  - For business customers: telephony (both fixed and mobile), broadband, and managed high capacity services based on dedicated access and end-to-end connections (leased lines).
- 2.5 JT (Jersey) Limited (**JT**) is the largest operator in Jersey. It is currently designated as having SMP in certain telecoms markets and is therefore subject to additional obligations, such as the provision of regulated wholesale products and services. Services are also offered by OLOs and key market participants including Home Net Limited (**Homenet**), Jersey Airtel Limited (**Airtel**), Newtel Limited (**Newtel**) and Sure (Jersey) Limited (**Sure**).<sup>2</sup> There are also a number of other Licensees offering telecoms services to both consumers and businesses, including Starlink Internet Service Limited, Nitel Limited, and Base Limited T/A Genesis AV.<sup>3</sup>
- 2.6 The Authority has previously undertaken separate reviews relating to the services being considered in this Review, the table below provides a summary of the relevant reviews.

---

<sup>2</sup> In 2022, Sure announced plans to acquire 100% of Airtel in the Channel Islands. In August 2024, the Authority issued a Decision approving the proposed merger, with conditions.

<sup>3</sup> The full list of Licensees can be found on the Authority website, see: [Licences in issue | JCRA](https://www.jcra.je/Licences%20in%20issue) (jcra.je)

Table 2: Overview of previous Authority Decisions with respect to market definition and SMP<sup>4</sup>

Market	Market Review	Decision reference	SMP
Fixed broadband	Broadband Market Review ( <b>2019 BMR</b> )	CICRA 19/01	JT
Fixed voice	Telecommunications Market Review ( <b>2010 TMR</b> ) Wholesale Line Rental Implementation ( <b>2015 WLR</b> )	T09J CICRA 14/36	JT
Fixed termination	Fixed Interconnection Rates Review ( <b>2017 FIRR</b> )	CICRA 17/25	Relevant operators
Leased lines	2022 Business Connectivity Market Review ( <b>2022 BCMR</b> )	JCRA 21/18	JT
Retail mobile	Telecommunications Market Review ( <b>2010 TMR</b> )	T09J	None
Mobile termination	Mobile Termination Rates ( <b>2017 MTR</b> )	CICRA 17/28	Relevant operators

2.7 The Authority considers it is important to take a holistic view across the markets and appropriate to undertake a combined review of the telecoms market, to help ensure a consistent approach to regulation.

### Consultation process

2.8 The Authority's formal consultation processes are conducted in accordance with an Information Note released in July 2018.<sup>5</sup> This note outlines the process to be undertaken before carrying out certain regulatory functions under the Law, in accordance with the required statutory process.

2.9 Initially, there is a non-statutory process. For this Review, the first stage was the release of the Call for Information in November 2023. This set out the background to the Review, the purpose and proposed approach, and three themes for stakeholder comment:

- Theme 1: Government telecoms policy framework and action plan
- Theme 2: Regulatory and economic policy
- Theme 3: Consumer policy

2.10 The Call for Information consultation closed in February 2024. In August 2024, the Authority issued an Information Note summarising the responses to the Call for Information and set out next steps. A key next step was the issuing of formal requests for information to Licensees, and this was supported by engagement with key stakeholders to better understand certain areas of different markets linked to the Review. This work was carried out over the summer and autumn of 2024.

2.11 The Authority's considerations of the Call for Information responses, the requests for information and further analysis are reflected in this Draft Decision. This Draft Decision will be

<sup>4</sup> A full description of each market review and existing Authority regulation can be found using the decision reference by searching on the Authority's website See: [Publications](#) (jcra.je)

<sup>5</sup> See: [Regulatory Consultation Process Information Note](#) (jcra.je)

followed by a Final Decision. The Final Decision will outline the responses to this Consultation and how the Authority has taken stakeholder responses into account in its decision making. It is envisaged the Final Decision will be published in summer/autumn 2025.

- 2.12 The Authority's decision as to whether a Licensee has a dominant position in a relevant market is not a specified regulatory function, and so it is not required to follow the statutory process. This means the Final Decision on market definition and SMP, when issued, will be final and binding.
- 2.13 In respect of activities following the Final Decision, the chapters of this Draft Decision discuss the markets identified, those Licensees that have SMP within them, and the work the Authority intends to undertake. In line with best practice, this future work will take the form of separate stand-alone projects.

### Government policy

- 2.14 In 2018 the Government commissioned Oxera to develop a telecoms strategy for Jersey; this was subsequently adopted and informed the Government's Telecoms Strategy Action Plan.<sup>6</sup> This plan set out a series of actions for Government departments and associated bodies including the Authority. The Action Plan influences the Authority's activities and policy direction on an ongoing basis.
- 2.15 The focus of Government policy is on retail competition, rather than wholesale or network competition. The Authority has worked to support this with price controls in place for wholesale broadband, as well as on wholesale leased lines.
- 2.16 Another related aspect is telecoms security. The Government has amended the Law to align Jersey's approach to ensuring the security of telecommunications networks and services with that of the United Kingdom.<sup>7</sup> Alongside this Review, a key focus for the Authority will be the implementation of the regulatory framework associated with its upcoming legal duties under these amendments.
- 2.17 In September 2024, the States of Jersey agreed changes to the Law placing security specific requirements on providers of public networks (PECN) and services (PECS) in Jersey. This imposes strict requirements on providers to design, deploy and operate networks and services securely, including making the Authority aware of any relevant risks that may arise or incidents that may occur. In some cases, providers will also be required to demonstrate compliance to the Authority.
- 2.18 The new requirements upon providers may require them to invest in systems and operations. A key aim of Government legislation is that providers deliver PECNs & PECSs that consumers, businesses, and the Jersey economy can rely upon to be secure and available into the future. Because these changes to the Law may result in increased cost to consumers, the Authority will closely monitor developments to ensure an appropriate and compliant balance is achieved.

---

<sup>6</sup> See: [Telecoms Strategy for Jersey](#) (gov.je) and [Telecoms Strategy Action Plan](#) (gov.je)

<sup>7</sup> See: [Telecoms Security Framework - Green paper consultation](#) (gov.je)



- 2.19 Further, Government policy also influences telecoms such as the Delivery Framework for Sustainable Economic Development 2023 to 2026. This sets out a vision for Jersey to be a consistently high-performing, environmentally sustainable and technologically advanced small island economy by 2040. This and wider policies, alongside associated legal requirements, set out the broader framework within which the telecoms sector will operate in the future.

#### Current regulatory practice

- 2.20 The Authority's approach to economic regulation in the telecoms sector is framed by its duties. In practice, this involves a wide range of activity, encompassing both competition and regulatory policy, but often also relating to technical, consumer, and social policy.
- 2.21 In the telecoms sector, the Authority carries out its functions with the goal of maintaining well-functioning markets, supporting both competition and investment in connectivity. The Authority's aim is, on a forward-looking basis, to further develop a robust and enduring regulatory framework, enabling the Authority to continue to deliver effective regulation of telecoms.
- 2.22 Effective regulatory and competition policy in telecoms has enabled the development of competition in both voice and broadband services, and will continue to support competition in mobile services. For example, the development and introduction of wholesale access and price controls has benefited consumers through increased competition on broadband services; a wholesale cost-based price control helps to increase consumer choice and reduce broadband prices each year. In mobile services, the conditions imposed by the Authority on the Sure Airtel merger will ensure the market remains competitive for consumers. More broadly, the Authority's regulatory approach to business connectivity enables other suppliers to benefit from lower wholesale prices and to compete more effectively for business customers.
- 2.23 In terms of the fixed telecoms sector, JT holds SMP in certain markets in Jersey, and OLOs are reliant on wholesale access to JT's network and products to provide services to their own (retail) customers. As set out in Table 2 above, the Authority has conducted several stand-alone reviews in this area and each review is designed to give effect to economic regulation of certain wholesale markets, which helps promote competition in corresponding retail markets. This policy approach is consistent with the Government's policy framework and is supported by various obligations, including regulatory financial reporting, price controls and a statement of requirements process.
- 2.24 The mobile sector in Jersey is characterised by competition across the wider 'value chain', whereby mobile operators self-supply mobile network and wholesale services and compete in the retail segments of the mobile sector. Consistent with this, the Authority does not currently directly economically regulate mobile access, pricing and/or mobile services generally. Note, in August 2024 the Authority approved, with conditions, the acquisition of Airtel by Sure. The conditions applied to the acquisition include measures designed to support competition in the mobile services markets in Jersey and are discussed further in Chapter 7.

- 2.25 Alongside these areas, the Authority is involved in the regulation of spectrum and numbering and works closely with the UK communications regulator, Ofcom, on these matters.<sup>8</sup> As set out in the 2025 Business Plan, the Authority plans to develop and implement an updated spectrum strategy. More detail on this will be published in due course.
- 2.26 To inform this Review, the Authority has also undertaken a high-level review of other telecoms regulatory frameworks, including the UK, the EU, Malta, and the Isle of Man. Box 1 sets out the key findings from this review with further detail set out in Annex 2.

**Box 1: Key findings from the review of regulatory practice in other jurisdictions**

The review has shown that the general trend in other jurisdictions is toward consolidation of market reviews and more focussed regulation. However, in each case, economic regulation has been developed within a clear policy framework, with supporting rationale and evidence. Indeed, while there may be fewer separate market reviews, neither the review process nor the regulation has necessarily become any 'simpler'.<sup>9</sup>

Further, the Authority's approach to market reviews is consistent with the European Union's consolidated regulatory framework, the European Electronic Communications Code (EECC). The market reviews considered as part of this Review effectively align with those set out in the current European Commission recommendation: Wholesale fixed local access (aligned to the Authority's review of voice and broadband); and Wholesale dedicated capacity (aligned to the Authority's review of leased lines).<sup>10</sup>

The Authority notes that the consolidation of market reviews, combined with a greater focus on wholesale regulation, is the overarching policy direction in the EU and the UK - toward infrastructure and network-oriented competition.<sup>11</sup> This is a driving factor in the approach taken by the EU, the UK and other jurisdictions; the presence of multiple competing networks reduces the need for multiple reviews or regulation (at the wholesale and retail level of the market).

While the Jersey Government's telecoms policy focuses on retail and not network competition, the Authority's approach to this Review, and future regulation, seeks to achieve similar aims to the UK and EU. Namely, focussed regulation on specific wholesale markets, reducing the need for market reviews or regulation at the retail level.

---

<sup>8</sup> The licensing of spectrum in Jersey, as in the UK, is carried out by Ofcom, under powers provided by the Wireless Telegraphy Act 2006 and the Communications Act 2003 (referred to as WT Licences). Certain parts of this legislation have been extended to Jersey by the Communications (Jersey) Order 2003, the Wireless Telegraphy (Jersey) Order 2006. As a matter of custom and practice, Jersey is a member of the UK National Telephone Numbering Plan (NTNP), whereby geographic numbers and mobile numbers are distinguished by their prefix code, for Jersey this is 01534.

<sup>9</sup> Ofcom's 2019 Wholesale Fixed Telecoms Market Review is a case in point. The final statement comprises seven separate volumes, 26 annexes and a number of other supporting documents.

<sup>10</sup> An assessment of mobile markets is included as a result of the recent market developments noted above, and because mobile markets have not been subject to a detailed review since 2010.

<sup>11</sup> For example, in 2014 European Commission removed all retail markets from its recommendation on relevant product and service markets within the electronic communications sector susceptible to ex ante regulation.

## Structure of this document

2.27 The rest of this Draft Decision is structured as follows:

- Chapter 3 sets out the Authority's approach to the review;
- Chapter 4 sets out the Authority's proposals on market definition and SMP for fixed broadband;
- Chapter 5 sets out the Authority's proposals on market definition and SMP for fixed voice;
- Chapter 6 sets out the Authority's proposals on market definition and SMP for leased lines;
- Chapter 7 sets out the Authority's proposals on market definition and SMP for mobile markets; and
- Chapter 8 summarises the Authority's Draft Decision.

2.28 This document also includes four Annexes:

- Annex 1 summarises the legal and licensing framework;
- Annex 2 provides further detail on the Authority's review of current regulatory practice and precedent;
- Annex 3 contains relevant market data; and
- Annex 4 provides a glossary of key terms.

### 3 Approach to the Review

- 3.1 Market definition and the assessment of SMP are necessary and important steps toward ensuring fair competition and the protection of consumer interests. These processes form the foundation of economic regulation, allowing regulators and competition authorities to identify markets - such as mobile, broadband, or fixed-line services - where operators may hold market power, and have an incentive and ability to affect competition. By addressing potential market failures proactively through economic regulation (remedies), regulators can facilitate and promote competition, with a view to furthering consumers' interest.
- 3.2 The Authority has adopted a well-established approach to this market review, reflecting best practice, and drawing on the approach used in the EU (EECC)<sup>12</sup>, and other jurisdictions. In applying this framework to markets in Jersey, account has also been taken of any relevant and specific on-island market characteristics.
- 3.3 This chapter sets out the Authority's approach to the Review, covering:
- Approach to market definition;
  - Assessing whether markets are susceptible to regulation;
  - Assessment of SMP; and
  - Approach to remedies.

#### Approach to market definition

- 3.4 Defining a market's boundaries is the first step towards assessing whether any market should be subject to regulation. The competitive dynamic within market boundaries (and the defined market) is also analysed and assessed, along with any direct and indirect constraints on the supply of products and services within the defined market.
- 3.5 The interrelated nature of communications markets means that there is a logical order to analysing markets. The general approach starts by defining the retail market and then defining the corresponding wholesale markets. Having defined the markets, the analysis proceeds with the three criteria test and further market analysis.<sup>13</sup>
- 3.6 In the first instance, markets are defined using two dimensions: the products and services in the market, and the geographic extent of the market. In each case, the Authority's analysis is forward-looking, taking account of market and technology trends, and any foreseeable market and technology developments.
- 3.7 In terms of defining the product and services market, the Authority adopts a standard approach to assessing demand and supply-side substitutability of products and services - the hypothetical monopolist test, also known as the Small but Significant Non-transitory Increase in Price (SSNIP)

---

<sup>12</sup> See: [Directive \(EU\) 2018/1972 of the European Parliament and of the Council of 11 December 2018](#) (europa.eu)

<sup>13</sup> This is consistent with the EU approach, as noted in European Commission (2020) Staff Working Document accompanying the Commission Recommendation on relevant product and service markets within the electronic communications sector susceptible to ex ante regulation.

test. This test enables the identification of market boundaries, and by definition, the relevant product market.<sup>14</sup>

- 3.8 On the extent of the geographic market, competitive conditions in all on-island telecoms markets are very similar. That is, the competitive environment is substantially the same across the island. Nonetheless, for each market considered, the Authority has carefully considered both the product and geographic dimension of the market.
- 3.9 Demand for wholesale products derives from demand for retail services, and where appropriate, the Authority has identified the wholesale product market by drawing on the market definitions set out for retail markets. This is consistent with best practice and the Authority's view is that it reflects a pragmatic and proportionate approach.

### Assessing whether markets are susceptible to regulation

- 3.10 In addition to the market definition process, in common with best practice in the EU and other jurisdictions, the Authority has also considered which markets are susceptible to ex ante economic regulation (prior to assessing SMP). This process is captured by the application of the three criteria test, as set out in Article 67 of the EECC Directive.
- 3.11 The three criteria are:
- Criterion 1: High and non-transitory structural, legal or regulatory barriers to entry are present;
  - Criterion 2: There is a market structure which does not tend towards effective competition within the relevant time horizon, having regard to the state of infrastructure-based competition and other sources of competition behind the barriers to entry; and
  - Criterion 3: Competition law alone is insufficient to adequately address the identified market failure(s).
- 3.12 The application of the three criteria test helps to identify those markets in which structural characteristics may warrant economic regulation, and where general competition law is likely to be insufficient to address any market failures. For a market to be considered susceptible to economic regulation, all three criteria must be met in the market; it is a cumulative test.
- 3.13 Further, the Authority adopts the 'modified greenfield' approach, under which it considers whether retail markets would be competitive in the situation where there is no economic regulation (generally in the form of wholesale access). This approach is consistent with that of the European Commission (EC) and Ofcom.<sup>15</sup> The Authority notes that without any access regulation it would expect competition at the retail level to be based on competition between

---

<sup>14</sup> The test assesses whether a hypothetical monopolist of the narrowest possible focal product is able to impose a small but significant non-transitory increase in price (5-10%) for a product or service without reducing its profits. The degree of substitution identified on the demand and supply sides of the market is, therefore, critical to the market definition process. Note, the Authority considers that a formal test is only necessary when there is some doubt as to whether an alternative product would act as an economic constraint on a hypothetical monopolist.

<sup>15</sup> See footnote 13, and [Promoting competition and investment in fibre networks: Wholesale Fixed Telecoms Market Review 2021-26, Volume 2: Market Assessment](#) (ofcom.org.uk) p 37.

vertically integrated providers (i.e. retail providers that operate their own networks and physical infrastructure).

### Assessment of SMP

- 3.14 Consistent with the established approach on market definition and application of the three criteria test, the Authority considers each market with a view to determining whether any Licensee holds SMP. The assessment of SMP examines whether a Licensee (or Licensees) - in a market considered to be susceptible to economic regulation - hold market power (and therefore, whether the Licensee(s) should be subject to some form of economic regulation).
- 3.15 Assessment of market power usually starts with the Licensee's market share in the relevant product and geographic market. In the EC SMP Guidelines (the **SMP Guidelines**)<sup>16</sup>, a market share in excess of 50% is considered evidence in its own right of market power. Where an undertaking's market share is high but below 50%, the SMP Guidelines state that other structural criteria should also be assessed to determine whether an operator has SMP. These criteria include, among others, barriers to entry and expansion, size of the operator (Licensee), control of key infrastructure, low countervailing buying power and technological or financial advantages.

### Approach to remedies

- 3.16 Should a Licensee have SMP in a market found to be susceptible to economic regulation, the Authority must then consider appropriate remedies to support competitive outcomes. The EECC provides for a set of behavioural obligations or remedies to be imposed by regulatory authorities.
- 3.17 Regulatory practice in the EU has been to impose remedies at a high-level, and to further specify in more detail as required. For example, following a market review a regulator might propose a price control and may impose the price control in principle, then consult with operators and stakeholders on the detail of how it should be implemented.
- 3.18 The EECC sets out the obligations that may be imposed by regulators:
- Obligation of transparency (Article 69 EECC).
  - Obligation of non-discrimination (Article 70 EECC).
  - Obligation of accounting separation (Article 71 EECC).
  - Obligation of access to, and use of, specific network facilities (Article 73 EECC).
  - Price control and accounting obligations (Article 74 EECC).
  - Functional separation (Article 77 EECC).
- 3.19 The remedies applied by the Authority would be consistent with the EECC framework (and best practice elsewhere) and proportionate to the competition problems likely to arise from the potential exploitation of SMP.

---

<sup>16</sup> See: [Guidelines on market analysis and the assessment of significant market power](#) (europa.eu)

- 3.20 The Authority considers that the general approach to remedies in the EU should be adapted for use in Jersey. For example, the Authority has regard to the SMP Guidelines, and to the remedies listed under the EECC. However, the Authority is not limited in the remedies that it can impose which means it can consider others, if these would be effective and proportionate.
- 3.21 As set out in Chapter 2 the Authority will also have regard to any relevant and specific on-island market characteristics; this includes Government telecoms policy framework and other features that may be unique to Jersey. In this context, the current focus of regulatory policy is effective wholesale and access regulation to help facilitate competition at the retail level. Therefore, remedies aimed at ensuring OLOs can compete effectively are critical.

## 4 Fixed broadband

- 4.1 Fixed broadband access services allow end users to obtain internet access at a fixed location. Services can be purchased on a stand-alone basis, or as part of a service bundle, for example, with fixed voice or subscription TV. While fixed broadband services may be provided using a variety of technologies<sup>17</sup>, connectivity and services in Jersey are supplied to the majority of premises by Fibre to the Premises (**FTTP**) via wholesale connections provided by JT. Fixed broadband services were previously considered as part of the Broadband Market Review (**2019 BMR**).
- 4.2 This chapter sets out the Authority's proposed approach to fixed broadband. It covers the definition of product markets at the retail and wholesale level, the use of the three criteria test to determine if any market is susceptible to economic regulation, and where required, the assessment of SMP and remedies. The Authority's Draft Decision is summarised in the table below.

*Table 3: The Authority's Draft Decision for fixed broadband*

Stage	Draft Decision
Market definition	Retail fixed broadband connectivity provided over any technology, and for any speed, within the Bailiwick of Jersey.  Wholesale fixed broadband connectivity provided over any technology, and for any speed, within the Bailiwick of Jersey.
Three criteria test	Passed - there are high and enduring barriers to entry and the markets are susceptible to economic regulation. On this basis, an SMP analysis has also been undertaken.
SMP assessment	JT has SMP in each of the defined markets.
Remedies	Continuation of the existing wholesale access obligation, combined with a wholesale cost-based price control.

- 4.3 The Authority seeks stakeholder comments and views on each of the areas discussed in this chapter, and would welcome views on the following consultation questions:

**Question 1:** Do you agree with the Authority's Draft Decision for fixed broadband set out in Chapter 4 of this Draft Decision? If you do not agree with any aspect of this, you should provide all of your analysis and assessment.

**Question 2:** What are your views on the Authority's proposals with respect to JT's SMP obligations set out in Box 2 of this Draft Decision?

<sup>17</sup> Including physical connectivity via copper or fibre, and wireless options with terrestrial and non-terrestrial methods i.e. satellite.



## Market definition

### Defining the product market

- 4.4 The starting point for this market definition is retail fixed broadband, sold either on a stand-alone basis or part of a service bundle. Fixed broadband services may be provided using a variety of technologies, including optical fibre networks to the premises (FTTP); fixed wireless access (FWA) solutions; and satellite-based solutions. The Authority has assessed demand and supply-side substitutability, and the Authority's Draft Decision is set out below:

#### **Demand substitutability between fixed broadband and mobile data services is likely to be limited**

- 4.5 While technological developments have increased the capability of mobile networks, market data indicates that only a small proportion of consumers have mobile internet access in reality.<sup>18,19</sup> As most households have both fixed and mobile internet access, fixed broadband and mobile data should be regarded as complements, not substitutes.
- 4.6 Further, fixed and mobile services are also typically supplied on a different basis; fixed broadband can be shared between occupants and is sometimes bundled with other subscription services. Different mobile data caps, and mobile performance is more variable than fixed, all of which would likely discourage switching from fixed broadband to mobile data services.
- 4.7 These factors suggest that the majority of consumers are likely to regard the two services as complements, rather than substitutes. Demand-side substitutability between fixed broadband and mobile data services is likely to be limited.

#### **There are not separate markets for different speeds or access technologies**

- 4.8 The Telecommunications Statistics and Market Report 2023 (the **2023 Statistics Report**) shows the majority of fixed broadband subscribers in Jersey are on connections over 500 Mbps, delivered on FTTP connectivity.<sup>20</sup> Irrespective, the lower speed services available in Jersey enable access to most of the commonly used applications for broadband, including HD video streaming, Voice over Internet Protocol (**VoIP**) calling, web browsing, and audio streaming.
- 4.9 Consumers are therefore likely to regard different speed services as being largely functionally equivalent and could switch to a different speed package in the event of a price increase on their existing package.
- 4.10 The Authority notes also that fixed broadband connectivity provided via technologies other than FTTP in Jersey accounts only for very low volumes. For example, connectivity to low earth orbit (LEO) satellite services is available in Jersey and the 2023 Statistics Report data shows that this is used by a very small number of customers.

---

<sup>18</sup> For example, In Jersey, data show that 87% of households have fixed broadband connections and 39% mobile broadband connections. See: [Opinions and Lifestyle Survey 2023 Report.pdf](#) (gov.je)

<sup>19</sup> Data from Europe indicates that in 2021 around 9% of households had only mobile internet access (and no fixed broadband). The same data also indicates that 83% of European households have both fixed and mobile internet access (Eurobarometer Survey (2021)), E-Communications in the Single Market. See: [Surveys - Eurobarometer](#) (europa.eu)

<sup>20</sup> See: [Telecommunications Statistics and Market Report 2023](#) (jcra.je)

- 4.11 There are two main types of satellite services, either geostationary earth orbit (GEO) or LEO. Both types can cover large areas but GEO offers lower speeds and incur higher response times so are less well suited to consumer connectivity requirements. LEO services in comparison offer greater speeds and improved latency. Whilst both service types can offer full geographic coverage they have limitations on capacity for servicing a dense population of users due to physical limits on spectrum.

**There are not separate markets for different bundles which include a fixed broadband service**

- 4.12 The growth of service bundles raises the issue of whether separate markets for service bundles can be identified at the retail level. From a demand-side perspective a bundle of services is substitutable with the component services sold on a stand-alone basis. In Jersey, fixed broadband suppliers offer various communications services on a stand-alone basis.<sup>21</sup> The price of stand-alone services is likely to constrain the price of service bundles (and vice versa). Therefore, defining separate markets for broadband service bundles and stand-alone broadband is not warranted. While there have been instances where regulatory authorities have defined separate retail markets for service bundles, it should be noted that this is uncommon.<sup>22</sup>

Defining the geographic market

- 4.13 Airtel, Homenet, JT, Starlink, and Sure all currently offer Jersey-wide coverage. In addition, service offerings and pricing are set on an island-wide basis, i.e. prices do not differ by geography. Competitive conditions are therefore substantially the same across the island. The relevant geographic market is within the Bailiwick of Jersey.

The wholesale market

- 4.14 The Authority notes the provision of retail services is dependent on (wholesale) broadband connectivity. Broadband connectivity is provided to facilitate retail services through self-provision by vertically integrated providers offering retail services on their own network, and through wholesale broadband connectivity services. For example, JT supplies wholesale broadband connectivity for its own (retail) consumption, and to other telecoms providers (to enable them to supply retail services). Therefore, the Authority assumes the same product market definition for wholesale fixed broadband as for retail fixed broadband.

Draft Decision on market definition

- 4.15 The Authority's Draft Decision is to define the following markets for fixed broadband:
- Retail fixed broadband connectivity provided over any technology, and for any speed, within the Bailiwick of Jersey.
  - Wholesale fixed broadband connectivity provided over any technology, and for any speed, within the Bailiwick of Jersey.

---

<sup>21</sup> For example, based on our analysis conducted in February 2025 of different on-island supplier websites, this indicates that services are supplied on a stand-alone basis. See: [JT Plans - Feel Unstoppable - JT Global](#) (jtglobal.com)

<sup>22</sup> European Commission (2020). Commission updated the Recommendation on Relevant Markets. Staff working document See: [Commission updated the Recommendation on Relevant Markets](#) (europa.eu) p 36.

### Three criteria test

4.16 In applying the three criteria test, including on a forward-looking basis, the Authority notes the following:

- Criterion 1: Fixed broadband markets in Jersey are characterised by high and non-transitory barriers to entry. The small size of Jersey means that there are economic barriers to entry at both the wholesale and retail level, and low incentives for network-based or retail market entry.
- Criterion 2: Having assessed the possible technology landscape over the period of five years for potential developments that mitigate the barriers to entry, the Authority concludes that there are unlikely to be material changes in the technology, or deployment of fixed broadband networks, in the period considered.
- Wireless solutions to provide fixed broadband services are deployed in some markets including Jersey, for example using Fixed Wireless Access (FWA), 4G and/or 5G capability, or LEO satellite connectivity. These solutions are often used to deliver broadband in locations which are unserved and would be difficult to reach by fixed networks. FTTP connectivity is available across Jersey, and it is unlikely that alternative methods of connectivity and service provision will gain traction to materially affect the market in Jersey over the period of the review.
- Criterion 3: Competition law alone is not sufficient to promote or preserve effective competition in the event of market failure (in the markets for fixed broadband).

4.17 The Authority finds that all the three criteria tests are met; both retail and wholesale fixed broadband market are therefore susceptible to economic regulation.

### SMP assessment

4.18 The Authority adopts a standard approach to the assessment of market power. This includes consideration of the overall market structure; similar to the analysis undertaken in respect of the three criteria test, and analysis of market shares (volume and revenue), as well as any other factor which might enable one or more provider to act and price independently.

4.19 JT is the largest provider of retail broadband services by a significant margin, measured by share of subscribers and share of revenue - see Annex 3. The data indicates that market shares appear relatively stable over time, and that JT's share of the retail market has remained around 60%, a level of market share consistent with JT having SMP. JT's share of the wholesale market will be higher than its share of the retail market; nearly all fixed broadband connections are supported by JT wholesale services.<sup>23</sup>

4.20 The assessment of whether an operator holds SMP starts with the market share of the leading firm. A large market share - in excess of 50% - is taken as evidence of SMP, except in special

---

<sup>23</sup> Homenet supply a number of fixed broadband connections on their own infrastructure (wholesale and retail).

circumstances. This is particularly the case if the operator has held such a high market share over a long period of time, as in this case.

- 4.21 The Authority's Draft Decision is that JT has SMP in the retail fixed broadband market. As the retail market is dependent on wholesale services provided only by JT, the Authority's Draft Decision is also that JT has SMP in the wholesale fixed broadband market.
- 4.22 The Authority notes that JT's supply of fixed wholesale broadband services still requires simultaneous provision of a landline. The development of a broadband line only wholesale service is discussed in more detail in Chapter 5, as it also relates to the configuration of WLR. The Authority encourages JT to progress work on the development of a wholesale broadband line only service.

## Remedies

- 4.23 The Authority's proposed remedies for the fixed broadband markets will be taken forward as a separate programme of work in 2025/26. At this stage, the Authority is firmly minded to continue with the existing regulatory policy, which is a wholesale access obligation on JT combined with a wholesale cost-based price control.
- 4.24 While JT holds SMP in the retail fixed broadband market, the Authority notes that competitors have gained market share, and the number of competitive wholesale connections has steadily increased. Moreover, the imposition of remedies at both the retail and wholesale level would likely be disproportionate and may distort competition.
- 4.25 The Authority will also be giving consideration to other policy areas related to fixed broadband (and the other markets in which JT holds SMP). This is outlined in Box 2 below.

### Box 2: Wider policy considerations with respect to JT's SMP obligations

In the context of fixed broadband (and other services), if a Licensee holds SMP in a relevant market, the Licensee must also adhere to certain licence conditions and obligations. JT has SMP in a series of relevant markets and these licence conditions – as set out in Part IV of JT's Class III Licence – include obligations in respect of interconnection, access, fair competition and other key issues.

Licence condition 37 on Price Regulated Services imposes a price notification obligation on JT. In broad terms, this requires JT to notify and publish certain price changes or promotions in advance of implementation and supply all relevant information on the price notification to the Authority. As the market has evolved, price notifications and promotions have become more frequent and complex.

The Authority is minded to refine the terms of licence condition 37 with a view to extending the advance period of notification (to 28 days). Further, the Authority is minded to consider the approach and process on notifications prior to the proposed date of implementation.

The licence conditions in Part IV of JT's licence also imposes obligations on JT with respect to the trading relationship, for example, between JT Wholesale and JT's retail businesses. These obligations are designed to ensure non-discrimination, to prevent unfair cross-subsidisation, or undue preference, and in general terms, equal access. The Authority is considering whether these conditions require updating and refinement, and whether additional measures are required for greater transparency and effective competition.

The Authority has also recently developed a regulatory financial reporting framework requiring JT to provide relevant regulatory accounting information on an ongoing basis. The Authority notes that its Draft Decision does not materially change the regulatory framework, but will consider what updates, if any, are required to reflect the Final Decision, once completed.

The Authority welcomes stakeholder input and views on each of these issues and will consider whether a further programme of work will be required to implement changes to these matters.

## 5 Fixed voice

- 5.1 Fixed voice services are defined as telephony services provided at a fixed location. A fixed voice service entails the rental of either analogue or digital telecommunication exchange lines and the supply of PSTN (Public Switch Telephone Network) telephony services, including the provision of managed VoIP services over internet protocol (IP) based connectivity. Fixed voice services are supplied to the majority of premises using FTTP via wholesale connections provided by JT. Fixed voice services have previously been considered as part of the 2010 Telecoms Market Review (**2010 TMR**), Wholesale Line Rental Implementation (**2015 WLR**) and Fixed Interconnection Rates Review (**2017 FIRR**).
- 5.2 This chapter sets out the Authority's proposed approach to fixed voice. It covers the definition of product markets at the retail and wholesale level, the use of the three criteria test to determine if any market is susceptible to economic regulation, and, where required, the assessment of SMP and remedies. The Authority's Draft Decision is summarised in the table below.

*Table 4: The Authority's Draft Decision for fixed voice*

Stage	Draft Decision
Market definition	Retail voice services from a fixed location within the Bailiwick of Jersey. Wholesale provision of voice services from a fixed location within the Bailiwick of Jersey. Wholesale voice call termination services on each operator's network.
Three criteria test	Passed - there are high and enduring barriers to entry and the fixed voice market is therefore susceptible to economic regulation. On this basis, an SMP analysis has also been undertaken. For fixed termination, the three criteria test is passed and this market is susceptible to ex ante regulation.
SMP assessment	JT has SMP in each of the defined retail and wholesale markets. For fixed termination, each operator has SMP on their own network.
Remedies	Continuation of the existing wholesale access obligation, combined with the continuation of WLR. For fixed termination, to consider whether the 2017 FIRR requires updating or amendment.

- 5.3 The Authority seeks stakeholder comments and views on each of the areas discussed in this chapter, and would welcome views on the following consultation questions:

**Question 3:** Do you agree with the Authority's Draft Decision for fixed voice set out in Chapter 5 of this Draft Decision? If you do not agree with any aspect of this, you should provide all of your analysis and assessment.

**Question 4:** What are your views on Fixed Number Portability and the Authority's proposals set out in Box 4 of this Draft Decision?

## Market definition

### Defining the product market

- 5.4 The starting point for this market definition is retail fixed voice, sold either on a standalone basis or as part of a service bundle.<sup>24</sup> The Authority has assessed demand and supply-side substitutability and the Authority's Draft Decision is set out below:

#### **The market includes both fixed voice access and fixed voice call services**

- 5.5 Both voice access and voice services are required to create a product which is useful to end-users. These services are therefore complements rather than substitutes and must be purchased together, even if they were sold separately. At present, fixed voice access and call services are sold as a bundled offering in Jersey.
- 5.6 Based on the demand-side and supply-side considerations above, the Authority's view is that fixed voice access and fixed voice calling services are in the same product market.

#### **The market includes managed VoIP services, but not unmanaged VoIP services**

- 5.7 Managed VoIP services are provided over a broadband service and are managed by a service provider which has control over the broadband connection to the end user and can therefore ensure high reliability and quality of service. The Authority's view is that the market includes managed VoIP products as these provide similar functionality to end-users.
- 5.8 Over the top (OTT) voice services (also termed unmanaged voice or number-independent services, such as WhatsApp) provide similar functionality to fixed voice services. However, in order to make and receive calls, such services typically require both users to have a fixed broadband connection or mobile data connection, a compatible device, to have installed the relevant application on the device, to have the device turned on and be logged in to the service.
- 5.9 Further, while an increasing number of consumers utilise OTT services to communicate, it is not clear whether this is having a direct competitive effect on the pricing of fixed and mobile voice services (as if it were an effective demand substitute). Moreover, it is also not clear whether OTT services are, or will become, an effective demand substitute in all cases, e.g. where consumers need to communicate with professional and other services like banking, medical services and insurance, etc. In some cases, OTT services might be considered complementary to existing fixed and mobile voice services. That is, OTT services are added to a broadband or mobile package in the form of an app, and the functionality is complementary to existing voice services.
- 5.10 The EC has also previously drawn a distinction between 'managed' VoIP services, usually offered by operators over fibre, cable or mobile networks, and unmanaged VoIP (OTT voice) services. The EC notes that: *'unmanaged OTT VoIP is not considered by NRAs as a substitute for fixed or mobile voice when defining the relevant retail or wholesale markets [...] in line with current*

---

<sup>24</sup> Historically some business fixed voice services were offered over ISDN lines but these have now been replaced by other technologies such as SIP.

*regulatory practice, the Commission services do not consider unmanaged voice as part of the same market’.*<sup>25</sup>

- 5.11 This is also consistent with Ofcom’s current approach in the UK, where the market was found to include analogue fixed voice services and IP-based fixed managed voice services, but not OTT voice services.<sup>26</sup>
- 5.12 In terms of supply-side substitution, an unmanaged VoIP provider would not be able to easily enter the market to supply fixed call access and services, as this would require either network infrastructure, or obtaining the necessary wholesale services to offer a fixed voice telephony service. Further, given the use of fixed voice service is in decline, it is unlikely that unmanaged VoIP providers would enter the fixed voice market even in response to a SSNIP. Supply-side substitutability is likely to be limited.

#### **The market includes business and residential users**

- 5.13 From a demand-side perspective, fixed voice products for business customers and residential customers are likely to be seen as substitutes. Business customers may be more sensitive to quality of service parameters, reliability and technical support, however, the functionality of the product offerings is likely to be similar enough to provide a high degree of substitutability.
- 5.14 Regarding the supply-side, both business and residential fixed voice services are provided over the same network. It is likely that a supplier of services to one of these segments would be able to enter the market to supply the other without facing significant barriers or delays.
- 5.15 Based on these considerations, the Authority’s view is that business and residential standalone fixed voice services are in the same product market.

#### **There is no separate market for voice-only customers**

- 5.16 There are effectively three customer segments for fixed voice services:
- Voice-only customers, approximately 10% of the market;
  - Customers with a voice service who also buy fixed broadband, but not as a bundle, approximately 7% of the market; and
  - Customers with fixed voice and broadband as part of a bundle, approximately 81% of the market.
- 5.17 The Authority has considered whether customers purchasing only fixed voice services (and not broadband) form a separate market to those purchasing fixed voice and fixed broadband together. The Authority notes that voice only customers constitute a small subset of the market, circa 10%, and as in other jurisdictions, the volume of voice-only customers has fallen significantly over time. For example, in 2015 voice-only customers represented approximately

---

<sup>25</sup> European Commission (2020). Commission updated the Recommendation on Relevant Markets. See: [Commission updated the Recommendation on Relevant Markets](https://ec.europa.eu/competition/mergers/decisions/recommendation_2020_01_en.pdf) (europa.eu)

<sup>26</sup> See: [Statement: Wholesale Voice Markets Review 2021–26 - Ofcom](https://www.ofcom.gov.uk/consult/condocs/wholesalevoice/wholesalevoice2021-26.pdf) (ofcom.org.uk)



30% of the market. Given the continuing decline, the Authority's view is that it would not be proportionate to define a distinct market for voice only customers.<sup>27</sup>

#### **Mobile services and fixed voice services are not in the same market**

- 5.18 Mobile services can be used as a substitute for fixed voice services. However, the reverse is not true: fixed voice services lack the inherent mobility of mobile services, demand-side substitutability is one way.
- 5.19 There is also likely to be limited supply-side substitution between stand-alone fixed voice and mobile services. These services often rely on different infrastructure, and it would take significant time and cost for a mobile operator to deploy a fixed voice network. Given the small scale of the voice-only market and the declining traffic, it is unlikely that a mobile operator would enter the market in the event of a SSNIP on fixed voice services.
- 5.20 Based on the above considerations, the Authority's view is that fixed voice services and mobile services are not in the same market.

#### **There is a fixed voice call termination market**

- 5.21 Termination services on different networks are not in the same market. A voice call from a subscriber on Operator A's network to a subscriber on Operator B's network has no choice but to go through Operator B's network to complete the call. There is no demand-side or supply-side substitutability between different operator's networks, and there are separate termination markets for each operator's network.
- 5.22 The Authority's view is that there is a market for wholesale voice call termination services on each fixed voice operator's network.

#### Defining the geographic market

- 5.23 Operators offer island-wide coverage. In addition, these providers set their service and pricing on a uniform basis across the island, i.e. prices do not differ by geography. Competitive conditions are homogenous, and the Authority's view is that the relevant geographic market is within the Bailiwick of Jersey.

#### The wholesale market

- 5.24 The provision of retail services is effectively dependent on the availability of WLR provided by JT. The obligation on JT to supply WLR was given effect through the 2015 WLR case. WLR was intended to stimulate and support 'competitive access to the network of JT', and, 'in the event that competition is increased in fixed-line services, the need for price controls on JT in the longer term should also be reduced'.<sup>28</sup>
- 5.25 It should be noted that while WLR may be viewed as a 'legacy' type product, the nature and technical configuration of WLR in Jersey is not comparable to the UK, or other jurisdictions. For

---

<sup>27</sup> In any event, subject to the nature and type of the voice only service, prices for voice only services would likely be constrained to some degree by the component prices of bundled services and other stand-alone voice services.

<sup>28</sup> Consistent with this, the Authority did not renew the retail fixed price control which expired in 2020 – see further discussion below.

example, it is not technology specific, and it is not 'line only'.<sup>29</sup> Moreover, even though the proportion of (fixed) voice only connections on-island is diminishing, WLR provides the means for OLOs to compete and ensure that all customers have a potential choice of supplier.

- 5.26 WLR supports the provision of retail fixed voice services to JT's retail customers through self-supply, and the provision of retail fixed voice services by other providers who are wholesale customers of JT. The Authority's view is there is a separate market for wholesale fixed voice services, reflecting the provision of wholesale services underpinning the retail market.

#### Draft Decision on market definition

- 5.27 The Authority's Draft Decision is to define the following markets for fixed voice:

- Retail voice services from a fixed location within the Bailiwick of Jersey;
- Wholesale provision of voice services from a fixed location within the Bailiwick of Jersey; and
- Wholesale voice call termination services on each operator's network.

#### Three criteria test

- 5.28 In applying the three criteria test, including on a forward-looking basis, the Authority notes the following:

- Criterion 1: The market is characterised by high and non-transitory barriers to entry. The small size of Jersey means that there are economic barriers to entry, which imply that entrants would struggle to achieve sufficient scale to render market entry an attractive proposition. In addition, the available data on fixed voice traffic volumes in Jersey suggests that use of fixed voice services is declining.
- Criterion 2: In assessing the possible technology landscape over a period of five years, technological change or other foreseeable developments are unlikely to significantly disrupt this market, or erode the barriers to entry. Indeed, technology innovation may be less likely in a declining market.
- Criterion 3: Ex post competition rules alone are not sufficient to promote or preserve effective competition in the event of market failure in the fixed voice markets.

- 5.29 The Authority's Draft Decision is the three criteria test is met, and both retail and wholesale fixed voice markets are susceptible to ex ante regulation.

#### SMP assessment

- 5.30 JT is the largest provider of retail fixed voice services by a significant margin, measured by share of subscribers and share of revenue. While JT's overall share of this market has declined since 2020, it remains above 75%. This likely reflects JT's role as the incumbent provider of fixed voice services (i.e. the provider of these services before the market was liberalised). Some other small

---

<sup>29</sup> The WLR Product Description contains additional services, e.g., call packages and network features etc., enabling a full and branded telephony service.

providers have a growing presence in this market, including Sure and Homenet, however, their market shares remain small relative to JT. This is illustrated in Annex 3 of this document.

- 5.31 The Authority's Draft Decision is that JT has SMP in the retail voice market. As the retail market is dependent on wholesale services provided only by JT, the Authority concludes also that JT has SMP in the wholesale voice market. Further, each fixed voice operator holds SMP in call termination on its own fixed network.

## Remedies

- 5.32 As set out above JT holds SMP in the retail voice market, however, consistent with the Authority's regulatory policy, and Government telecoms policy, the Authority's view is that regulation should be focused on the wholesale level with a view to promoting sustainable competition at the retail level.
- 5.33 A key mechanism for this is the continuation of the obligation on JT to supply WLR. It is recognised that as demand for fixed voice only services continues to decline, there is scope to review the WLR obligation on JT in the future. This is further discussed in Box 3, which outlines the Authority's considerations of WLR and its relationship with wholesale broadband.

### Box 3: WLR and wholesale broadband

WLR has enabled competitive access to JT's network and competing suppliers have established a presence in fixed-line services, although JT still has a high market share in retail fixed voice. Further, changes in the market dynamic have impacted the level and nature of demand for WLR. For example, the decline in voice only connections and fixed voice calls may have reduced demand for WLR (as a means of supporting competition in the retail fixed voice market only).

However, demand for WLR has continued because it is effectively 'tied' to the demand for wholesale broadband services (Bitstream). The technical configuration of wholesale broadband is based on JT's network and related systems, these currently require a landline service (WLR) to be simultaneously provisioned and linked to the broadband service. Therefore, demand for wholesale broadband services is in effect driving the demand for WLR.

In response to the Call for Information, a number of stakeholders raised WLR. Respondents noted both the 'legacy' nature of WLR and advocated unbundling the (wholesale) fixed line from the (wholesale) broadband service. Other stakeholders suggested that consideration be given to the development of a 'broadband line only' wholesale service.

The Authority's draft decision is to maintain the obligation on JT to supply WLR. However, in light of the market dynamic and JT's current approach to provisioning (and cost recovery), the Authority is minded to take work forward on the regulatory framework for a wholesale broadband line only solution. This would be consistent with regulatory practice in the UK and with the current and likely future nature of demand.

In the first instance, JT is strongly encouraged to engage with other OLOs with a view to designing and developing a cost-effective wholesale broadband line only solution.<sup>30</sup> In any event, the Authority's approach to any future wholesale broadband price control will take account of market developments, and seek to continue to ensure JT recovers only efficiently incurred costs.

<sup>30</sup> An alternative mechanism could be an OLO requesting this through the Statement of Requirements process.

- 5.34 As noted above the Authority's view is that it would be disproportionate to determine a distinct market for voice only customers. It is recognised that there are some consumers that require a fixed voice connection only. These may be older or more vulnerable consumers, or it may simply be for reasons of affordability. In this context, the Authority notes that the reduction in Prime Talk subscriptions<sup>31</sup> in Jersey has followed the general downward trend in fixed voice only connections, although these subscriptions still account for a segment of JT's fixed voice (landline only) connections.
- 5.35 The Authority's view is JT's continued supply of specific stand-alone fixed voice services, including Prime Talk (which is not open to new customers but maintained for existing), help to effectively mitigate concerns about elderly and vulnerable customers.
- 5.36 Nonetheless, the Authority will continue to monitor the proportion of consumers taking a standalone fixed voice service, the types of service and the broad terms and conditions on which these services are supplied. In the event of material change or significant real terms price increases in these types of services, the Authority will consider other potential regulatory options.
- 5.37 With respect to wholesale voice call termination, the Authority will consider whether the conclusions of the 2017 FIRR require updating or amendment.

The Authority will also be giving consideration to fixed number portability (**FNP**), which is a policy area related to fixed voice. This is outlined in Box 4.

#### Box 4: The Authority's consideration of FNP

FNP was referenced in the Call for Information as an area for consideration, and a was also raised by stakeholders during engagement. For example, in the responses, and in the course of other programmes of work, two stakeholders requested the Authority progress work on the implementation of FNP. However, other stakeholders did not support the implementation of FNP.

The Authority has conducted further analysis and research on FNP, including a high-level review of policy in comparable jurisdictions (UK, other Crown Dependencies and Gibraltar). Across these jurisdictions, FNP is common regulatory practice (either enacted through the Licence, or EU mandate through the ECCC), although in many of the cases, FNP was implemented some years ago.

The Authority recognises that the timing of FNP may be a key factor - the continuing decline in demand for fixed voice connections and usage might suggest a potentially low volume of ported fixed numbers in the future. Relatedly, initial assessments of the potential cost of implementing FNP indicates that while technological solutions are readily available, the cost of implementing and operating FNP is potentially significant.

While the need to balance the costs and benefits is a key consideration, FNP is common regulatory practice, and, even in a declining market, the ability for consumers and business to retain their number when switching supplier may be a strong impetus to competition. Therefore, the Authority is minded to consider the development of policy on FNP, albeit subject to further consideration of key issues. These include:

- User demand for FNP (consumer and businesses);

<sup>31</sup> Prime Talk is a subsidised fixed telephony tariff offered by JT to citizens aged 65+, it was withdrawn from being available to new customers in 2015.

- Technical options, including feasibility and timescales;
- Outline costs and benefits of FNP; and
- Practicability and work programme.

In addition, the Authority will continue to closely monitor policy developments in other jurisdictions, for example the UK National Numbering Plan. This may evolve to include specific requirements in the numbering conditions associated with UK numbering allocations, e.g. FNP.

The Authority would welcome stakeholder views on this area.

## 6 Leased lines

- 6.1 Leased lines provide dedicated transmission capacity between fixed locations. They can be provided using a range of technologies, including fibre links and wireless technologies. Leased lines are typically used by enterprises and organisations to support business-critical activities. Leased lines were subject to a detailed review as part of the 2022 Business Connectivity Market Review (**2022 BCMR**).
- 6.2 This chapter sets out the Authority's proposed approach to leased lines. It covers the definition of product markets at the retail and wholesale level, the use of the three criteria test to determine if any market is susceptible to economic regulation and, where required, the assessment of SMP and remedies. The Authority's Draft Decision is summarised in the table below.

*Table 5: The Authority's Draft Decision for leased lines*

Stage	Draft Decision
Market definition	Retail market for high quality dedicated capacity private circuits, comprising all bandwidths, used for connection between two fixed locations within the Bailiwick of Jersey.  Wholesale market for high quality dedicated capacity private circuits, comprising all bandwidths, used for connection between two fixed locations within the Bailiwick of Jersey.
Three criteria test	Passed - there are high and enduring barriers to entry and the markets are therefore susceptible to economic regulation. On this basis, an SMP analysis has also been undertaken.
SMP assessment	JT has SMP in each of the defined markets.
Remedies	Continuation of the existing wholesale access obligation, combined with a wholesale cost-based price control. Dark fibre maintained as a regulatory option.

- 6.3 The Authority seeks stakeholder comments and views on each of the areas discussed in this chapter, and would welcome views on the following consultation questions:

**Question 5:** Do you agree with the Authority's Draft Decision for leased lines set out in Chapter 6 of this Draft Decision? If you do not agree with any aspect of this, you should provide all of your analysis and assessment.

**Question 6:** With respect to dark fibre, do you agree that this should be maintained as a regulatory option? If yes, please provide evidence and information on the circumstances in which dark fibre might become necessary?

**Question 7:** As set out in Box 5 the Authority is giving consideration to data centres, what are your views on data centre availability and connectivity in Jersey?

## Market definition

### Defining the product market

- 6.4 The focal product is an on-island leased line which both originates and terminates on the island of Jersey.<sup>32</sup> The Authority has assessed demand and supply-side substitutability and the Authority's Draft Decision is set out below.

#### **Fixed broadband services and leased line services are in separate markets**

- 6.5 Leased line services typically offer a number of features which differentiate them from fixed broadband services. Primarily, leased line services offer dedicated capacity and reduced contention. They generally also offer higher upload speeds, better quality of service, faster repair times or other service-level guarantees. These features attract a price premium, which makes leased line services relatively expensive for residential users. In addition, broadband products are often supplied and purchased as part of a bundle including services, which businesses do not require.
- 6.6 With the advent of fibre networks, broadband services are increasingly capable of meeting the needs of some businesses. However, it is also likely that certain business users will continue to require dedicated capacity, symmetric bandwidth, service redundancy, and/or higher levels of service and reliability than those offered by broadband services. For these types of business users, there is limited demand-side substitutability with broadband services, and so they would not switch to a broadband service in response to a SSNIP by a hypothetical monopolist.
- 6.7 The Authority notes also that there is a substantial price difference between typical broadband services and leased lines, further indicating separate relevant markets.<sup>33</sup>

#### **There are not separate markets for different speeds**

- 6.8 The defining characteristics of business services (as opposed to consumer-oriented services) are dedicated capacity, symmetric speeds, enhanced service levels, quality, and reliability. There is likely to exist a chain of substitution across different speed services that exhibit these characteristics. These links may be deployed for a number of uses, requiring dedicated capacity, including mobile backhaul, connectivity to international landing stations, and connectivity to data centres.
- 6.9 In the 2022 BCMR the Authority concluded that a chain of substitution exists across leased lines of different speeds. This is consistent with findings in other jurisdictions, for example, in 2021 Ofcom concluded that all leased line bandwidths are in the same product market, and noted that once a provider has an existing connection to a customer site it can be used to provide the

---

<sup>32</sup> Previous market reviews have distinguished between 'Traditional Interface', using legacy analogue or digital interfaces, and 'Alternative Interface' leased lines, digital lines largely designed for the transmission of IP traffic (including Ethernet). As set out in the 2022 BCMR, the Authority understands that TI leased lines have been phased out.

<sup>33</sup> For example, as at February 2025, a retail unlimited 1 Gbps residential fibre broadband product was priced at £59.80/month, while an unlimited 1 Gbps fibre business broadband tariff was £126.20/month. By contrast, a 1 Gbps retail leased line is typically £1,000 more per month.

full range of leased line services, and adapted to provide different bandwidths.<sup>34</sup> Other regulators, such as RTR (Austria) and ComReg (Ireland) have reached similar conclusions.<sup>35</sup>

- 6.10 The Authority's view is that leased line services of different bandwidths are linked by a chain of substitution, and that a SSNIP on any given bandwidth by a hypothetical monopolist would be unlikely to be profitable; there is a single product market comprising leased lines of all bandwidths.

#### **The market should not be broadened to include off-island leased lines**

- 6.11 Jersey's connectivity to the wider world for both voice and data communications is reliant upon a series of submarine cables linking Jersey with Guernsey, France and the UK. These cables form the basis of physical connectivity, and several providers in Jersey leverage this physical connectivity to self-supply leased lines, and to provide similar services to customers who require connectivity off-island.
- 6.12 Given the nature of the service, a leased line between two on-island customer sites cannot be substituted by a leased line between Jersey and an off-island location. Therefore, an off-island leased line is not an effective demand substitute for an on-island leased line.
- 6.13 Nevertheless, the Authority notes that in response to the Call for Information there was some comments on off-island links. The first suggested that current arrangements for access to off-island links is 'somewhat anti-competitive', while another respondent argued that the prices for off-island links were prohibitive. However, other respondents stated that arrangements for off-island links were competitive, while others focussed comments on the operational and security aspects of off-island connectivity.
- 6.14 Consistent with this feedback, and supported by the request for information process, the Authority has carried out an analysis of the market arrangements for off-island links, including a high-level assessment of pricing and revenues. In terms of market structure, the Authority notes that there has been no material change since the 2022 BCMR. There remain five physical connectivity suppliers<sup>36</sup>, and three suppliers of logical connectivity: in the form of retail and wholesale leased lines. Further, initial analysis of both revenues and pricing data indicate that revenues have marginally declined, while the volume of wholesale and retail services has remained stable.
- 6.15 The Authority recognises there is a level of market concentration in the supply of off-island connectivity (both physical and logical), this is also reflected in the market structure for on-island leased lines. However, given there has been no material change in the market since the 2022 BCMR (and there is no evidence of significant price increases), it would be inappropriate to change the approach set in the 2022 BCMR.

---

<sup>34</sup> See: [2021 WFTMR Volume 2: Market analysis](#) (ofcom.org.uk)

<sup>35</sup> See: [Study on Future electronic communications product and service markets subject to ex-ante regulation](#) (europa.eu)

<sup>36</sup> On some of the physical connections, it is a consortium of JT/Sure, and BT/JT/Sure, that own and manage the off-island links.



- 6.16 While off-island connectivity is not included in the market definitions of leased lines (nor subject to SMP and regulation), the Authority's remit in respect of Competition Law provides a firm backstop in the event of any potential anti-competitive behaviour or practice.

**The market should be broadened to include dark fibre**

- 6.17 Dark fibre is a dedicated fibre optic path where the circuit provider has no active electronics attached at either end. The access seeker is able to attach their own active equipment directly to the ends of the fibre path and 'light' it at the speed and configuration they choose, within the limitations of what is technically feasible for that particular fibre.
- 6.18 In the 2022 BCMR, based on evidence provided by respondents (to the Draft Decision) and the approaches adopted by the EC and Ofcom, the Authority concluded that the (leased lines) market should be extended to include dark fibre access. In particular, the Authority maintains the view that a SSNIP imposed by a hypothetical monopolist of wholesale active leased lines is unlikely to be profitable as purchasers of such circuits could switch demand to dark fibre. This is because purchasers of wholesale leased lines would be OLOs, and so would have the knowledge and equipment to light dark fibre circuits.<sup>37</sup>

**The market should not be broadened to include duct access**

- 6.19 Duct access is the physical infrastructure, comprising ducts, poles and any relevant associated facilities used to carry cables to customer premises. An operator is able to install its own cables using the physical infrastructure within the limitations of what is technically feasible for that infrastructure.
- 6.20 In the 2022 BCMR the Authority concluded that duct access is outside the leased line market. The key rationale for this was that it did not consider that sufficient demand for leased lines would be substituted by duct access to make that SSNIP unprofitable. For example, wholesale customers would need to access JT's ducts and lay their own cables and other equipment in those ducts to provide leased line services. This would require significant capital investment by customers of wholesale leased lines and the Authority's view was that it had no reason to expect a SSNIP to be unprofitable due to substitution by duct access.
- 6.21 Further, it was noted that duct access would be misaligned with the Government's telecoms policy, which has a focus on service competition on a single network as opposed to infrastructure competition through the development of competing independent networks.<sup>38</sup>

Defining the geographic market

- 6.22 JT operates a Jersey-wide fibre network, which allows it to provide leased lines services across the island. Two other market players, Newtel and Sure, have deployed some network infrastructure focused in the St. Helier area. Outside of these networks, these two operators rely on wholesale inputs from JT in order to supply retail leased lines. Further, Newtel's and Sure's

---

<sup>37</sup> In this scenario the comparison is between the cost of wholesale access to leased lines with the cost of dark fibre, plus the additional investment required to light it.

<sup>38</sup> The Authority does not rule out that it might be proportionate and appropriate to consider duct access at some point in the future, especially in the event that Government policy changed with respect to the balance between services and infrastructure based competition

network infrastructure is limited, and the Authority considers that a determination of separate geographic markets would be unwarranted and disproportionate.

- 6.23 It is also worth noting that, consistent with the 2022 BCMR, JT's retail leased line pricing remains uniform across Jersey, further supporting the view that competitive conditions do not change materially across Jersey. The Authority's view is that the relevant geographic market is within the Bailiwick of Jersey.

#### The wholesale market

- 6.24 The Authority's conclusions in the retail product market are mirrored in the wholesale market. The provision of retail services is dependent to a significant extent on the availability of wholesale products provided by JT. The Authority has identified a separate market for wholesale leased lines to reflect the provision of wholesale services to support the retail market.

#### Draft Decision on market definition

- 6.25 The Authority's Draft Decision is to define the following markets for leased lines:
- Retail market for high quality dedicated capacity private circuits, comprising all bandwidths, used for connection between two fixed locations within the Bailiwick of Jersey.
  - Wholesale market for high quality dedicated capacity private circuits, comprising all bandwidths, used for connection between two fixed locations within the Bailiwick of Jersey.

#### Three criteria test

- 6.26 In applying the three criteria test to identify whether leased line markets in Jersey are susceptible to ex ante regulation, including on a forward-looking basis, the Authority notes the following:
- Criterion 1: The market is characterised by high and non-transitory barriers to entry. The small size of Jersey means that there are economic barriers to entry, which imply that entrants would struggle to achieve sufficient scale to render market entry an attractive proposition. The Authority notes that Newtel and Sure do have small fibre networks but does not have any evidence to suggest that there are plans to significantly expand these networks.
  - Criterion 2: JT's share of retail leased line subscriptions has remained above 70% since 2020.<sup>39</sup> Based on past trends and JT's ongoing share of the market, the Authority considers it unlikely that the retail or wholesale market is trending towards effective competition.
  - Criterion 3: Ex post competition rules alone are not sufficient to promote or preserve effective competition in the event of market failure resulting from the existence of SMP.

---

<sup>39</sup> See: [Market Statistics | JCRA](#) (jcra.je)

- 6.27 The Authority's Draft Decision is that the three criteria test is met and that the retail and wholesale leased lines markets are susceptible to ex ante regulation.

#### SMP assessment

- 6.28 Analysis of the most recent available data suggests that JT's share of retail on-island leased line subscriptions is above 80% - see Annex 3. In addition, JT's revenue share is also above 80%, and appears to have gradually increased since 2020. Consistent with the approach set out above the Authority considers that JT's high and stable share of retail leased lines indicates that JT has SMP in this market.
- 6.29 The 2022 BCMR showed that JT had over 90% of the wholesale on-island leased lines market. In terms of wholesale revenue, the data indicates that JT has maintained a high market share since this was last assessed. JT's high market share indicates that it has SMP in the wholesale on-island leased lines market.
- 6.30 In addition, JT operates the only Jersey-wide leased line network, suggesting it has control of infrastructure that is not easily replicated. It is also likely to enjoy substantial economies of both scale and scope when compared to competitors.
- 6.31 The Authority's Draft Decision is that JT has SMP in the retail and wholesale on-island leased lines market.

#### Remedies

- 6.32 The Authority's proposed remedies for the leased line markets will be taken forward as a separate programme of work in a future Business Plan. At this stage, the Authority is firmly minded to continue with the existing regulatory policy, which is a wholesale access obligation on JT combined with a wholesale cost-based price control (with dark fibre maintained as a regulatory option).
- 6.33 With respect to the price control, the Authority notes that it has currently been set on a retail minus basis and was recalibrated as part of the 2022 BCMR. Under this approach, wholesale prices are set on the basis of the cost of providing the service, and ensures that operators can recover efficiently incurred costs, including an appropriate return on capital. However, consistent with the Authority's approach on wholesale broadband, any future wholesale leased lines price control will be cost-based, as opposed to retail minus.
- 6.34 In addition, the maintenance of dark fibre as a regulatory option re-enforces JT's incentives and provides the Authority additional regulatory scope to intervene to support effective competition in the business connectivity market.
- 6.35 While JT holds SMP in the retail leased lines market, the Authority notes that competitors have gained market share, and the number of competitive wholesale connections is steadily increasing. Moreover, the imposition of remedies at both the retail and wholesale level would be disproportionate and would distort competition.
- 6.36 The Authority will also be giving consideration to the role of data centres in Jersey. This is outlined in Box 5.

#### Box 5: The role of data centres in Jersey

Data centres, in the broadest sense, are premises whose main purpose is to house computing and communications equipment. Data centres are an important component of telecoms infrastructure and systems in Jersey, and a means of connecting customers and supplying services. There are three data centres in Jersey in which providers actively offer connectivity and hosting facilities - Five Oaks, Foreshore, and Rue des Pres.

The Authority notes that unlike in many other jurisdictions, the data centres in Jersey are owned, operated and managed by licenced telecoms operators. The Five Oaks and Rue des Pres data centres are owned and operated by JT, whereas the Foreshore data centre is owned by Sure. The Authority understands that only the Foreshore data centre supports the presence of multiple operators (JT, Newtel and Sure). While JT has indicated it would consider OLOs deploying equipment and connectivity services in its data centres, to date, JT data centres host only its own equipment and connectivity services.

In the Call for Information and in other programmes of work, stakeholders have raised concerns about access to data centres, provisioning and the commercial terms on which services in data centres are supplied. For example, in JT owned and managed data centres, OLOs are currently unable to supply their own connectivity services onto their own rack(s), or a customer's equipment, and are also reliant on JT wholesale for connectivity within the data centre.

The Authority is mindful of the rights of data centre owners to commercially manage their own infrastructure, facilities and systems, albeit consistent with the ability of other licensed operators to access facilities necessary for effective competition. This appears to be the principle underpinning the general approach in the UK (and elsewhere). In the UK (and elsewhere) data centres and similar facilities are operated on a 'carrier neutral' basis, whereby ownership and management of the data centre is separate from the telecoms providers (and other users of the data centres).

The Authority is minded to further develop its thinking in this area and would welcome stakeholder views on this area and have included a specific question on this matter.

## 7 Mobile services

- 7.1 Mobile services are used to provide end users with access to voice telephony, text messaging and mobile data services. This category of services includes retail services provided to end users, as well as wholesale services that are required to enable retail service provision, including mobile network access, mobile call origination and mobile call termination. Mobile services within Jersey are currently provided by three mobile network operators (MNOs): Airtel, JT, and Sure. The merger of Sure and Airtel (case C-042) and the Authority's **Merger Decision** is discussed further below.<sup>40</sup> Mobile services have previously been considered as part of the 2010 Telecoms Market Review (**2010 TMR**) and Mobile Termination Rates (**2017 MTR**).
- 7.2 This chapter sets out the Authority's proposed approach to mobile services. It covers the definition of product markets at the retail and wholesale level, the use of the three criteria test to determine if any market is susceptible to economic regulation and, where required, the assessment of SMP and remedies. The Authority's Draft Decision is summarised in the table below.

*Table 6: The Authority's Draft Decision for mobile services*

Stage	Draft Decision
Market definition	Retail mobile voice and data services provided over any mobile technology generation, within the Bailiwick of Jersey. Wholesale mobile voice and data services provided over any mobile technology generation, within the Bailiwick of Jersey. Wholesale call termination services on each mobile operator's network.
Three criteria test	Not Passed - there is potential for continued competition in retail mobile services (and merger commitments in respect of wholesale mobile services, i.e., MVNO). The retail and wholesale mobile services markets are not currently susceptible to ex ante regulation. For mobile termination, the three criteria test is passed and this market is susceptible to ex ante regulation.
SMP assessment	Not assessed for retail and wholesale. For mobile termination, each operator has SMP on their own network.
Remedies	Not proposed for retail and wholesale. For mobile termination, to consider whether the 2017 MTR requires updating or amendment.

- 7.3 The Authority seeks stakeholder comments and views on each of the areas discussed in this chapter, and would welcome views on the following consultation question:

**Question 8:** Do you agree with the Authority's Draft Decision for mobile services set out in Chapter 7 of this Draft Decision? If you do not agree with any aspect of this, you should provide all of your analysis and assessment.

<sup>40</sup> See: [C-042 Sure, Airtel | JCRA](#) (jcra.je)

## Market definition

### Defining the product market

- 7.4 The focal product for this market definition is retail mobile services provided to end users. The Authority has assessed demand and supply-side substitutability and the Authority's Draft Decision is set out below.

#### **The retail market includes mobile voice, messaging and mobile data services**

- 7.5 Mobile voice, messaging and data services are routinely sold as part of the same tariff bundle, which creates a form of common pricing constraint for end users. The majority of mobile data connections are handset-based, and the majority of handsets only support one SIM.<sup>41</sup> As a result, the subscriber is obliged and incentivised to purchase mobile voice, messaging and data services from the same supplier. The common pricing constraint between different types of mobile service also implies a degree of demand-side substitutability between the bundle of voice, text and data services.
- 7.6 Mobile networks are typically deployed to provide a combination of voice, messaging and data services. This implies that there is also supply-side substitutability.

#### **The retail market includes both voice access and voice calls**

- 7.7 Consistent with the Authority's analysis of this issue in the context of fixed voice, mobile voice access and calls are effectively complements and are typically supplied as a combined product.
- 7.8 As mobile access and call services are delivered over the same underlying network infrastructure these services are likely to be supply-side substitutes. Any mobile network provider offering one of either voice access or voice calls services would also be able to offer the other service.

#### **The retail market includes both business and residential customers**

- 7.9 Consistent with the Authority's analysis of this issue in the context of fixed voice, retail mobile services available to both consumers and enterprise customers are broadly similar in terms of characteristics and service. This means it is likely there is some demand-side substitutability with consumer mobile services.
- 7.10 The same network equipment is used to provide retail mobile services to both consumers and enterprises. An existing provider of consumer retail mobile services could also supply enterprise retail mobile services (and vice versa) indicating supply-side substitutability between the two services.

#### **The retail market includes both postpaid and prepaid customers**

- 7.11 Retail mobile services provided under prepaid (pay as you go) or postpaid (contract) subscriptions offer identical functionality. Prepaid customers can typically migrate to a contract at any point, while postpaid subscribers can move to a prepaid service if they are not in contract. There is therefore demand-side substitutability between postpaid and prepaid.

---

<sup>41</sup> The Authority notes the potential use of eSIMs, although focusses analysis on the 'standard' Handset/SIM configuration.

- 7.12 Operators in the mobile market offer both prepaid and postpaid services. An operator that offered only one type of service could readily start supplying the other, supply-side substitution is likely and both services are in the same product market.

**The retail market spans different technological generations (i.e. 2G, 3G, 4G and 5G)**

- 7.13 While 2G, 3G and 4G networks offer different performance characteristics, the nature of the basic services is not fundamentally different, and in most cases, there is automatic handover between the networks (e.g. voice calls and data sessions will switch back and forth between 2G and 3G networks without noticeable interruptions). In this sense, 2G, 3G and 4G services represent a technology evolution which has enhanced the capabilities of mobile services, but which has not created distinct relevant markets.
- 7.14 We expect 5G services will offer greater performance of mobile broadband (in terms of speed, latency and reliability of data) to end users on Jersey.<sup>42</sup> However, 5G services do not fundamentally change the nature of mobile data services compared to previous technology generations. Therefore, we do not anticipate that the deployment of different generations of mobile technology change the outcomes on mobile services market definition.
- 7.15 There are significant network and licence-related costs involved in an upgrade to a newer generation of mobile technology. However, much of the basic infrastructure (such as towers, cell sites and backhaul) can be re-used. There are also strong incentives for operators to follow their competitors in upgrading. Therefore, there is likely to be a supply-side substitutability across different mobile technology generations.

**The retail market does not include OTT voice and messaging services**

- 7.16 As discussed above in relation to fixed voice services, ‘managed’ Voice over Internet Protocol (VoIP) services, usually offered by operators over fibre, cable or mobile networks, are generally considered distinct from unmanaged VoIP (OTT voice) services.
- 7.17 From a demand-side perspective OTT voice services do not offer the same functionality as mobile voice or messaging services. OTT services are mainly used to communicate with others on the same service. In order to make or receive calls or messages, both participants need to own a compatible device, to have installed the relevant application on the device, to have the device turned on and be connected to the internet; and to be logged in to the service.
- 7.18 In regard to the supply-side, an unmanaged VoIP provider would not be able to quickly enter the market to supply mobile call access and services, as this would entail either building network infrastructure or obtaining wholesale services. The Authority notes that the barriers to market entry would be lower for a provider entering as a reseller (MVNO) rather than an MNO. However, entering the market as an MVNO would still require a local licence. Supply-side substitutability is likely to be limited over the period of the review.

**The retail mobile services market is separate from fixed retail markets**

---

<sup>42</sup> See: [5G on way after JT announce £80m investment and deal with Ericsson](https://www.bailiwickexpress.com/news/5g-on-way-after-jt-announce-£80m-investment-and-deal-with-ericsson) (bailiwickexpress.com)

- 7.19 Fixed services (i.e. fixed voice or fixed broadband) are not a substitute for mobile services because they lack the intrinsic mobility of mobile. Therefore, demand-side substitutability is one-way: the use of mobile services in place of fixed.
- 7.20 In addition, data from Europe indicate that 83% of households have both fixed and mobile access, while only 9% of households are mobile-only. This suggests that the majority of consumers regard mobile and fixed services as complements, rather than substitutes. This is also the view of most European regulators.

#### **There is a mobile services wholesale market**

- 7.21 Currently, mobile operators in Jersey provide retail services using their own mobile networks ('self-supply'). However, it would also be possible for an entrant operator, or MVNO, to supply mobile services to end-users using wholesale inputs from one of the existing mobile network operators. Indeed, this is evidenced by the conditions applied by the Authority to the recently approved Sure Airtel merger.
- 7.22 In order for a retail service provider to compete in the mobile services retail market, the wholesale access product must include mobile voice, messaging and data. A more limited offering which only included some of these components would not be a functional substitute for the complete set of mobile services.
- 7.23 The Authority finds therefore a wholesale mobile services market exists, corresponding to the retail services market. This market is technology-neutral and includes wholesale access for the supply of voice origination, messaging and mobile data services. The market includes MVNO access, service provider access and self-supply.

#### **There is a mobile call termination market**

- 7.24 Wholesale mobile call termination services comprise those services that enable the termination of calls and messages (both Short Message Service (SMS) and Multimedia Messaging Service (MMS)) on the recipient's mobile network. Termination services are wholesale inputs that are essential for the provision of voice calls and SMS to end users.
- 7.25 Termination services on different networks are not in the same market. A call from a subscriber on Operator A's network to a subscriber on Operator B's network cannot be delivered except through Operator B's network. There is no demand-side nor supply-side substitutability between different operator's networks, and therefore there are separate termination markets for each operator's network.

#### **Defining the geographic market**

- 7.26 The mobile networks currently operating in Jersey each establish service and pricing on an island-wide basis, i.e. prices and other conditions do not differ in different areas. Moreover, each network has very similar coverage/footprints<sup>43</sup>, and while there may be minor differences in coverage levels and signal strength, these are not material enough to justify separate geographic markets. The Authority's view is that the relevant geographic market is the Bailiwick of Jersey.

---

<sup>43</sup> Coverage maps available here: [Mobile network masts | JCRA](#) (jcra.je)



7.27 Further, the markets for wholesale mobile services and mobile call termination services (voice and messaging), have the same geographic scope as each mobile operator's network and coverage (i.e. also Jersey). While the provision of retail services may be dependent to some extent on the availability of wholesale products (provided by a network operator), the Authority's view is there is a Jersey-wide wholesale market for mobile services to reflect the provision of wholesale services to support the retail market within the Bailiwick of Jersey.

#### Draft Decision on market definition

7.28 The Authority's Draft Decision is to define the following markets for mobile services:

- Retail mobile services, comprising mobile voice, messaging and data services, provided within the Bailiwick of Jersey.
- Wholesale mobile services used to supply retail mobile voice, messaging and data services, within the Bailiwick of Jersey. The wholesale market is technology-neutral and includes MVNO access, service provider access and self-supply.
- Wholesale call termination services on each mobile operator's network.

#### Three criteria test

7.29 In applying the three criteria test to identify whether mobile markets in Jersey are susceptible to ex ante regulation, including on a forward-looking basis, the Authority notes the following:

- Criterion 1: There are likely to be economic barriers to entry resulting from Jersey's size. Notwithstanding, MVNO entry to the Jersey market is in prospect, as a specific condition of the Authority Merger Decision.
- Criterion 2: The Authority's 2010 TMR found that the retail mobile market was moving toward a competitive state, and as a consequence, JT's SMP designation in the retail mobile market was removed. At that time, JT had a subscriber market share of 71%. Since then JT's subscriber share has declined to 51%.

The structure of the retail market is set to change with the merger of Sure and Airtel, although the entry of an MVNO suggests the retail market can continue to trend toward competition. However, the merger of Sure and Airtel will also result in a structural change in the market for wholesale mobile services. In the near future, there will be two wholesale suppliers in the market (for self-supply and the supply of wholesale services in accordance with the conditions in the Authority Merger Decision). This issue is discussed in more detail in Box 6 below.

In light of the Authority's recent Merger Decision, the potential for continued competition in retail mobile services and merger commitments in respect of wholesale mobile services, i.e. the MVNO, the Authority finds that retail and wholesale mobile services markets are not currently susceptible to ex ante regulation. Therefore, there is no requirement at this stage to assess market power in either of these markets.

#### Box 6: Relevance of Sure Airtel merger

In 2022, Sure announced plans to acquire 100% of Airtel in the Channel Islands. On 8 August 2024, the Authority issued a Decision approving the proposed merger, with conditions. These conditions included measures designed to support competition in the mobile services markets in Jersey. For example, one of the key conditions relates to the entry of an MVNO (utilising Sure's mobile network infrastructure).

Notwithstanding the proposed MVNO, the merger could still materially affect the competitive dynamic of Jersey's mobile services markets. The Authority has also therefore set out a process and framework for monitoring the implementation of the merger conditions with a view to ensuring the Merger Decision is given full effect.

The acquisition of Airtel by Sure means that there will only be two mobile network operators in the market. Absent an MVNO, the retail mobile services market would be a duopoly, with each supplier holding roughly equal market share. A two-supplier market, where each supplier has a roughly equal market share, could raise concerns about the emergence of joint SMP. The same analysis applies in the context of the wholesale market for mobile services.

The competitive dynamic is subject to change, and the prospective MVNO will likely be key to any future assessment of the mobile services market (both retail and wholesale). Indeed, successful completion of the merger and effective implementation of the monitoring framework, is a key factor in the Authority's assessment of the mobile services market(s). In the event the merger caused a change in the three criteria test, the Authority would review its policy.

These and other key issues were given careful consideration in the Authority's recent Merger Decision. The Authority is of the view that the package of measures, to which Sure has committed, are capable of effectively addressing the competition concerns identified during its review and assessment (of the merger). The Authority therefore decided to approve the merger subject to conditions.

- 7.30 In respect of call termination services, however, the three criteria test is met and the Authority finds that these markets are susceptible to ex ante regulation. Each mobile operator has a monopoly in the provision of call termination services on its own network, and each mobile operator has SMP in the provision of mobile call termination services.

#### SMP assessment

- 7.31 Consistent with the rationale set out above, this is not assessed for retail and wholesale mobile services. For mobile termination, each operator has SMP on their own network.

#### Remedies

- 7.32 The Authority will consider whether the 2017 MTR requires updating or amendment. Work will be taken forward on this matter following consultation on this Draft Decision.

## 8 Authority Draft Decision

8.1 This chapter sets out, under the relevant headers, the Authority's Draft Decision for each market considered as part of the Review.

### Fixed broadband

Stage	Draft Decision
Market definition	Retail fixed broadband connectivity provided over any technology, and for any speed, within the Bailiwick of Jersey. Wholesale fixed broadband connectivity provided over any technology, and for any speed, within the Bailiwick of Jersey.
Three criteria test	Passed - there are high and enduring barriers to entry and the markets are susceptible to economic regulation. On this basis, an SMP analysis has also been undertaken.
SMP assessment	JT has SMP in each of the defined markets.
Remedies	Continuation of the existing wholesale access obligation, combined with a wholesale cost-based price control.

### Fixed voice

Stage	Draft Decision
Market definition	Retail voice services from a fixed location within the Bailiwick of Jersey. Wholesale provision of voice services from a fixed location within the Bailiwick of Jersey. Wholesale voice call termination services on each operator's network.
Three criteria test	Passed - there are high and enduring barriers to entry and the fixed voice market is therefore susceptible to economic regulation. On this basis, an SMP analysis has also been undertaken. For fixed termination, the three criteria test is passed and this market is susceptible to ex ante regulation.
SMP assessment	JT has SMP in each of the defined retail and wholesale markets. For fixed termination, each operator has SMP on their own network.
Remedies	Continuation of the existing wholesale access obligation, combined with the continuation of WLR. For fixed termination, to consider whether the 2017 Fixed Interconnection Rates Review requires updating or amendment.

### Leased lines

Stage	Draft Decision
Market definition	Retail market for high quality dedicated capacity private circuits, comprising all bandwidths, used for connection between two fixed locations within the Bailiwick of Jersey. Wholesale market for high quality dedicated capacity private circuits, comprising all bandwidths, used for connection between two fixed locations within the Bailiwick of Jersey.

Three criteria test	Passed - there are high and enduring barriers to entry and the markets are therefore susceptible to economic regulation. On this basis, an SMP analysis has also been undertaken.
SMP assessment	JT has SMP in each of the defined markets.
Remedies	Continuation of the existing wholesale access obligation, combined with a wholesale cost-based price control. Dark fibre maintained as a regulatory option.

## Mobile services

Stage	Draft Decision
Market definition	<p>Retail mobile voice and data services provided over any mobile technology generation, within the Bailiwick of Jersey.</p> <p>Wholesale mobile voice and data services provided over any mobile technology generation, within the Bailiwick of Jersey.</p> <p>Wholesale call termination services on each mobile operator's network.</p>
Three criteria test	<p>Not Passed - there is potential for continued competition in retail mobile services (and merger commitments in respect of wholesale mobile services, i.e., MVNO). The retail and wholesale mobile services markets are not currently susceptible to ex ante regulation.</p> <p>For mobile termination, the three criteria test is passed and this market is susceptible to ex ante regulation.</p>
SMP assessment	<p>Not assessed for retail and wholesale.</p> <p>For mobile termination, each operator has SMP on their own network.</p>
Remedies	<p>Not proposed for retail and wholesale.</p> <p>For mobile termination, to consider whether the 2017 Mobile Termination Rates requires updating or amendment.</p>

## 9 Next Steps

- 9.1 The Authority invites written views and comments on the questions raised throughout this document and presented together in Box 7 below, to be made by 5pm on 23 April 2025. The Authority encourages respondents to provide comments that are supported by evidence. Less weight may be given to submissions that cannot be supported by evidence.

### Box 7: Consultation questions

**Question 1:** Do you agree with the Authority's Draft Decision for fixed broadband set out in Chapter 4 of this Draft Decision? If you do not agree with any aspect of this, you should provide all of your analysis and assessment.

**Question 2:** What are your views on the Authority's proposals with respect to JT's SMP obligations set out in Box 2 of this Draft Decision?

**Question 3:** Do you agree with the Authority's Draft Decision for fixed voice set out in Chapter 5 of this Draft Decision? If you do not agree with any aspect of this, you should provide all of your analysis and assessment.

**Question 4:** What are your views on Fixed Number Portability and the Authority's proposals set out in Box 4 of this Draft Decision?

**Question 5:** Do you agree with the Authority's Draft Decision for leased lines set out in Chapter 6 of this Draft Decision? If you do not agree with any aspect of this, you should provide all of your analysis and assessment.

**Question 6:** With respect to dark fibre, do you agree that this should be maintained as a regulatory option? If yes, please provide evidence and information on the circumstances in which dark fibre might become necessary?

**Question 7:** As set out in Box 5 the Authority is giving consideration to data centres, what are your views on data centre availability and connectivity in Jersey?

**Question 8:** Do you agree with the Authority's Draft Decision for mobile services set out in Chapter 7 of this Draft Decision? If you do not agree with any aspect of this, you should provide all of your analysis and assessment.

- 9.2 Responses can be submitted by email to [info@jcra.je](mailto:info@jcra.je) or alternatively in writing to:

Jersey Competition Regulatory Authority  
2nd Floor Salisbury House  
1-9 Union Street  
St Helier  
Jersey  
JE2 3RF

- 9.3 All responses should be clearly marked: 'Telecoms Market Review – Draft Decision'. The Authority's normal practice is to publish responses to consultations on its website. It should be clearly marked if any part of a response is held to be commercially confidential and a redacted version also supplied for publication.
- 9.4 Consistent with the Authority's non-statutory process (see Chapter 2), this Draft Decision will be followed by a Final Decision. The Final Decision will provide an outline of the responses to the

Consultation and how the Authority has taken them into account in its decision making. Subject to the responses received, it is envisaged this will be published in summer/autumn 2025.

## Annex 1 – Legal and Licensing Framework

This annex sets out the:

- Legal background; and
- Licensing framework.

### Legal background

Telecommunication services are regulated in Jersey under the Telecommunications (Jersey) Law 2002 (the **Law**). The primary duty of the Authority is to perform its functions in such a manner as it considers appropriate to ensure that (so far as in its view is reasonably practicable) telecommunications services are provided both within Jersey and between Jersey and the rest of the world, so as to ensure that all current and prospective demands for such services are satisfied.<sup>44</sup>

The Law contains a number of duties imposed on the Authority<sup>45</sup>, including the requirement to perform its functions in such a manner as:

- To protect and further the short-term and long-term interests of users within Jersey and perform them by promoting competition among those engaged in commercial activities connected with telecommunications in Jersey;
- To promote efficiency, economy and effectiveness in commercial activities connected with telecommunications in Jersey; and
- It considers is best calculated to further the economic interests of Jersey.

Further, the Authority shall have regard to:

- Whether services are accessible to and affordable by the maximum number of business and domestic users;
- Whether there is innovation in services and their provision; and
- The provision of high quality and reliable services.<sup>46</sup>

Article 9 provides that the Authority shall keep under review and gather information about the provision of telecommunications services in Jersey and elsewhere.

In addition to the Authority's duties previously mentioned, amendments to the Law made in 2024 require that the Authority seeks to ensure providers of Public Electronic Communications Networks (PECN) and Services (PECS) are meeting the security duties that the Law sets out.<sup>47</sup>

### Market definition

While Jersey is not strictly bound to apply EU law, the Authority considers it appropriate to adopt a broadly consistent approach with the Common Regulatory Framework of the EU for communications services and the European Electronic Communications Code to meet its principal duties under Article

---

<sup>44</sup> Telecommunications (Jersey) Law 2002, Article 7(1) – 'Duties of the Minister and Authority'.

<sup>45</sup> Telecommunications (Jersey) Law 2002, Article 7(2)(a) – (f).

<sup>46</sup> Telecommunications (Jersey) Law 2002, Article 7(3).

<sup>47</sup> Telecommunications (Jersey) Law 2002, Part 5A.

7 of the Law, in particular, to ensure telecommunications services are provided to satisfy current and prospective demand. Further detail on the Authority's approach is set out in Chapter 3.

Article 60 of the Competition (Jersey) Law 2005 provides that the Authority (and Court) must ensure: *'that so far as possible questions arising in relation to competition are dealt with in a manner that is consistent with the treatment of corresponding questions arising under European Union law in relation to competition within the European Union.'*

As noted in the EU Common Regulatory Framework SMP Guidelines at para 24:<sup>48</sup>

*'defining the relevant market is of fundamental importance, as effective competition can only be assessed against this definition'.*

Having regard to its duties and regulatory best practice, the Authority considers it appropriate to adopt the broad principles of product and geographic market definition for assessing market conditions in this Review, as set out in the SMP Guidelines, which are reflected in Authority guidance and previously applied in the 2022 Business Connectivity Market Review (**2022 BCMR**).<sup>49</sup> Further detail on the Authority's approach is set out in Chapter 3.

### SMP Conditions

The Law provides that the Authority may include conditions in any licence:

- Intended to prevent or reduce anti-competitive behaviour; and
- That relate to, or imposing requirements about, competition in relation to telecommunication services, telecommunication systems, apparatus and telecommunication equipment.<sup>50</sup>

If in the short to medium term an operator has and will have, in respect of an identified market, sufficient market power to behave to an appreciable extent independently of competitors, customers, and ultimately consumers, then competition is not working effectively. That is, the SMP operator has the ability and incentive to take advantage of a dominant position. In this case, the Authority considers that ex ante SMP conditions as remedies should be considered to discharge its duties. Further detail on the Authority's approach is set out in Chapter 3.

### Licensing framework

Part 2 of the Law establishes the requirement for a telecoms operator to hold a licence, and Part 5 sets out the powers the Authority has to grant a licence. There are four classes of telecommunications licence in Jersey. A Class III Licence is specifically for applicants which have SMP. The Class III Licence includes a Part which addresses conditions applicable to dominant operators.<sup>51</sup>

The provisions which are applicable to dominant operators include (but are not limited to) measures addressing the availability and associated terms of OLO access to networks and services<sup>52</sup>; the

---

<sup>48</sup> 2018/C 159/01 Guidelines on market analysis and the assessment of significant market power under the EU regulatory framework for electronic communications networks and services, 2018. See: [Communication on SMP guidelines](#) (europa.eu) para 24.

<sup>49</sup> See: [Guideline 7 - Market Definition](#) (jcra.je)

<sup>50</sup> Telecommunications (Jersey) Law 2002, Article 16.

<sup>51</sup> Part IV of the Class III licence.

<sup>52</sup> Condition 25, Class III licence.



requirement not to show undue preference or to exercise unfair discrimination<sup>53</sup>; the requirement not to unfairly cross subsidise<sup>54</sup>, supported by accounting processes to demonstrate compliance; regulation of prices, and transparency around pricing and wholesale product offerings, including the publication of appropriate Reference Offers.<sup>55</sup>

In addition, the Class III licence includes conditions specific to the provision of leased lines<sup>56</sup>, which apply where a Licensee has been found to be in a dominant position. The conditions applicable to the supply of leased lines refer to the retail and wholesale markets and require a dominant provider offers leased lines on publicly advertised and non-discriminatory terms, and in compliance with quality standards and at prices determined by the Authority.

The Class III licence also includes a Part which directly obliges the Licensee not to engage in any practice that has the object or likely effect of preventing, restricting or distorting competition in the establishment, operation and maintenance of telecommunications networks and services.<sup>57</sup>

---

<sup>53</sup> Condition 35, Class III licence.

<sup>54</sup> Condition 34, Class III licence.

<sup>55</sup> Condition 30, Class III licence.

<sup>56</sup> Condition 32, Class III licence.

<sup>57</sup> Condition 38, Class III licence.

## Annex 2 – Current regulatory practice and precedent

To inform the Review, a high-level review of other telecoms regulatory frameworks has been undertaken covering the UK, the EU, Malta and the Isle of Man. This review was carried out in spring 2024. This annex sets out the:

- Approach to regulation, by jurisdiction; and
- Jurisdiction specific observations.

### Approach to regulation - by jurisdiction

At a high-level, the review, set out in detail in the table below, shows that in recent years the general trend in other jurisdictions has been towards consolidation and a reduction in the number of telecoms markets subject to periodic market review. Further, regulation has been removed from competitive markets, in line with underlying theories of economic regulation and competition.

While the general trend in these other jurisdictions is toward fewer, more joined-up market reviews, this has been driven by:

- Increasing competition between - and deeper within - infrastructure and networks;
- Technological convergence of networks and services; and
- An underlying shift in the focus of regulation from retail to infrastructure competition.

The analysis suggests that the aim in many of these jurisdictions is to focus regulation as far upstream as possible (e.g., at the wholesale/infrastructure/access level). This is also consistent with regulatory practice in Jersey, with its focus on economic regulation at the wholesale level. In addition to the trend in other jurisdictions to market reviews, regulation has been removed from markets that tend towards competition, and from so-called legacy markets where regulation may no longer be required.

Another key observation relates to the differing nature of competition in certain jurisdictions. For example, where competitive conditions vary, different geographic markets have been identified, although this is more widely used in larger countries like the UK. Smaller countries/jurisdictions tend to experience less geographic differentiation in regulation and regulate on a jurisdiction-wide basis.

Table 7: Overview of approach and current regulation, by jurisdiction

Jurisdiction	Overview of approach and current regulation
Ofcom (UK)	<ul style="list-style-type: none"><li>• The focus of regulation has shifted from the retail level to encouraging infrastructure competition at the wholesale level.</li><li>• Related markets have been consolidated into combined market reviews, underpinned by technological convergence.</li><li>• In the recent period Ofcom has carried out two market reviews:<ul style="list-style-type: none"><li>○ Wholesale Fixed Telecoms Market Review ('WFTMR')</li><li>○ Wholesale Voice Market Review ('WVMR')</li></ul></li><li>• The market review cycle has moved from three years to five years.</li><li>• In March 2024, Ofcom announced its Telecoms Access Review, which will replace the regulation that applies to fixed telecoms markets, set by the WFTMR.</li></ul>

EU Regulation	<ul style="list-style-type: none"> <li>• Regulation in the EU has followed a similar trend based on more infrastructure and network-based competition: competition developing downstream allows for regulation to be focused upstream.</li> <li>• Number of markets identified as susceptible to competition has reduced over time, from 18 in 2003 to just two in the current EC Recommendation: <ul style="list-style-type: none"> <li>◦ Fixed wholesale local access, and</li> <li>◦ Wholesale dedicated capacity.</li> </ul> </li> <li>• The EC has also 'deregulated' the following markets: <ul style="list-style-type: none"> <li>◦ All retail markets</li> <li>◦ Call origination</li> <li>◦ Call termination (shifted to a cap model)<sup>58</sup></li> </ul> </li> </ul>
Malta	<ul style="list-style-type: none"> <li>• Malta has largely followed the EU approach and reviewed the two markets recommended by the EC (with some adjustments for national circumstances); and</li> <li>• Wholesale dedicated capacity (leased lines) market deregulated on basis of effective competition.</li> </ul>
Isle of Man	<ul style="list-style-type: none"> <li>• A telecoms licensing regime applies in the Isle of Man (similar to Jersey).</li> <li>• The regulatory authority (CURA) has carried out two separate market reviews which combined various markets: <ul style="list-style-type: none"> <li>◦ Fixed Line Telecommunications Market Review ('FLTMR')</li> <li>◦ Mobile Market Review</li> </ul> </li> <li>• Regulation has been retained at the wholesale and retail levels (Fixed).</li> <li>• Call origination and wholesale transit markets have been deregulated.</li> <li>• All markets defined as island-wide (no geographic differentiation).</li> <li>• Off-island connectivity was considered in the FLTMR.</li> </ul>

### Jurisdiction specific - observations

In the UK, Ofcom's network-focused approach assesses competition at the 'upstream' level (physical telecoms infrastructure, such as ducts and poles); and determines wholesale regulation based on the presence of actual and prospective competing networks. Geographic differentiation is dependent on the intensity of network competition in different areas.

Further, Ofcom has explicitly set a policy preference for regulation as far upstream as possible - regulating the physical infrastructure market (ducts and poles) is intended to stimulate infrastructure-based competition, reducing the need for regulation further downstream. This approach has allowed Ofcom to deregulate several legacy and/or downstream markets in the UK.

At the EU level, there has also been deregulation of markets, with the number of markets identified by the EC listed as being susceptible to SMP regulation decreasing significantly over the years.<sup>59</sup> The EC noted in its 2020 update to the list of markets recommended for review that barriers to entry are

<sup>58</sup> This is a legal instrument to set maximum call termination rates for all fixed and mobile calls across the EU, such that separate call termination rate market reviews in each of the EU's individual member states are no longer necessary

<sup>59</sup> The 2003 Recommendation identified 18 wholesale and retail markets, the latest 2020 Recommendation identified only two wholesale markets that are recommended for possible ex ante regulation.

decreasing and may progressively become less relevant in markets driven by innovation and technological progress, such as electronic communications markets.

Malta has generally followed the EU approach, albeit with some modifications to take account of its circumstances as a small island state. Malta has deregulated the retail calls markets, the wholesale mobile access and call origination market and the wholesale broadband access market.<sup>60</sup>

The Isle of Man has carried out two recent market reviews, on fixed and mobile communications respectively. The Isle of Man has deregulated several markets, including wholesale fixed call origination and transit, and wholesale mobile access and call origination. However, the Isle of Man is unusual for retaining retail regulation in certain markets, reflecting the market position of the incumbent operator, Manx Telecom.

Despite the general trend of fewer and less frequent market reviews, the approach remains case specific. There are clear examples of jurisdiction-specific approaches being adopted, to reflect the characteristics and circumstances of the market. For example, on the Isle of Man, the regulator has adapted its market review process to take account of the Isle of Man's particular circumstances, including the need to regulate certain fixed retail services.

Overall, across the jurisdictions surveyed there is a similar regulatory framework, with for example, the EU's approach being generally considered best practice and is followed in the UK and the Isle of Man, despite these being outside the EU, but different forms of regulation, taking into account particular circumstances.

---

<sup>60</sup> Highlighting some of the challenges faced in smaller jurisdictions, some of the decisions of Malta's regulatory authority have been vetoed by the EC. See: [European Commission vetoes proposed regulation of the wholesale broadband market in Malta following in-depth investigation](#)

## Annex 3 – Key market data

This Annex contains a series of tables derived from the data collated as part of the annual telecoms market statistics reports.<sup>61</sup> Key markets and metrics are included and have helped inform the Authority's decision alongside consideration of detailed information received in response to the request for information. In consolidating the data:

- Numbers are rounded to the nearest whole number, so the totals may not equal 100%;
- Data is presented for 2020 to 2023 (the latest year of available data)<sup>62</sup>; and
- The focus is on the largest Licensees active in each of the markets.

*Table 8: Retail fixed broadband market shares (% of market)*

Licensee	Year			
	2020	2021	2022	2023
Airtel	-	0%	2%	3%
JT	60%	61%	61%	61%
Homenet	8%	8%	8%	8%
Sure	32%	31%	29%	28%

*Table 9: Retail fixed broadband market annual revenues (% of total market revenue).*

Licensee	Year			
	2020	2021	2022	2023
Airtel	-	0%	1%	2%
JT	63%	62%	57%	58%
Homenet	6%	7%	8%	8%
Sure	31%	31%	34%	32%

*Table 10: Retail fixed voice market shares (% of market)*

Licensee	Year			
	2020	2021	2022	2023
Airtel	-	0%	0%	2%
JT	80%	79%	78%	76%
Homenet	0%	0%	1%	1%
Sure	20%	21%	21%	21%

<sup>61</sup> See: [Telecoms market statistics | JCRA](#) (jcra.je)

<sup>62</sup> With respect to fixed broadband and fixed voice services, Airtel entered the market in November 2021.

Table 11: Retail fixed voice market annual revenues (% of total market revenue)

	Year			
Licensee	2020	2021	2022	2023
Airtel	-	0%	0%	1%
JT	83%	79%	79%	79%
Homenet	1%	1%	3%	4%
Sure	13%	17%	15%	13%

Table 12: Retail on-island leased line market shares (% of market)

	Year			
Licensee	2020	2021	2022	2023
JT	82%	81%	83%	83%
Newtel	1%	2%	2%	3%
Sure	27%	17%	15%	14%

Table 13: Retail on-island leased line annual revenues (% of total market revenue)

	Year			
Licensee	2020	2021	2022	2023
JT	78%	80%	82%	84%
Newtel	1%	2%	2%	2%
Sure	21%	18%	16%	14%

## Annex 4 – Glossary

This glossary covers the key acronyms and terms used in this paper.

**CICRA** – Channel Islands Competition and Regulatory Authorities, the name given to the combined Channel Islands regulator encompassing the GCRA and JCRA and active between 2010 and 2020.

**CURA** – Isle of Man Communications and Utilities Regulatory Authority, responsible for the regulation of the telecoms sector in the Isle of Man.

**Dark Fibre** – A product/service offered in some jurisdictions where a network provider offers customers access to its fibre network without equipment attached, allowing the customer to utilise the physical medium with their own equipment, thereby lighting it, to deliver their desired throughput.

**Data centre** – A dedicated build or space providing enhanced power, cooling and connectivity services dedicated to the support of networking and computing infrastructure.

**EC** – European Commission, the executive arm of the EU, responsible for proposing and enforcing legislations.

**EECC** – European Electronic Communications Code, a 2018 European Union (EU) directive that updated the regulatory framework for communications services in the region.

**FNP** – Fixed Number Portability, is an arrangement with tools and process agreed between operators of telecommunications service providers in a jurisdiction that allows for customers to port (move) their telephone number between providers.

**FTTP** – Fibre to the Premises, the implementation of fibre optic connections to individual residential and business premises as a connection medium for the provision of telecommunications services.

**GCRA** – Guernsey Competition & Regulatory Authority, responsible for the regulation of the telecoms sector in Guernsey.

**GSM** – Global System for Mobile Communications, the standard developed for the deployment and interworking of early mobile networks. Latterly used more generically to refer to mobile networks and the evolution of their technical standards.

**IP** – Internet Protocol, a network layer protocol for routing and addressing packets of data so that they can travel across networks and arrive at the correct destination.

**Leased Line** – A dedicated high-speed private connectivity service offering an assured speed between two locations or the internet without being aggregated or shared across multiple consumers.

**MMS** – Multimedia Message Services, similar to SMS, a service/technology enabling users to send messages including multimedia over a voice-centric mobile network. The service is now largely deprecated with the prevalence of services such as iMessage and WhatsApp offering equivalent functionality without charge.

**MNO** – Mobile Network Operator, a mobile services provider which offers services to users based on a terrestrial based network that it operates.

**MNP** – Mobile Number Portability, equivalent to FNP but supporting the porting of numbers between mobile networks.

**MVNO** – Mobile Virtual Network Operator, a mobile services provider which offers services to users based on wholesale services taken from an MNO.

**Ofcom** – The regulator of telecommunications systems and services in the UK with responsibilities for managing numbering and spectrum allocations for Jersey.

**OLO** – Other Licenced Operator, a reference to a telecommunications provider other than the incumbent provider, in Jersey being providers other than JT.

**OTT** – Over the Top, communications services that require internet connectivity but do not rely on specific supporting network services to function i.e. can work on multiple networks irrespective of provider or infrastructure.

**PECN** – Public Electronic Communications Network, an electronic communications network provided wholly or mainly for the purpose of making electronic communications services available to members of the public.

**PECS** – Public Electronic Communications Service, an electronic communications service that is provided so as to be available for use by members of the public.

**PSTN** – Public Switched Telephone Network, a reference to the collection of interconnected voice-oriented public telephone networks provided by operators in jurisdictions that enable users to contact one another based on phone numbers. Often used as a reference to the historic or legacy systems using circuit switched copper-based technologies.

**SIM** – Subscriber Identity Module, a smart card used extensively in mobile network as a method for holding key information and a unique identifier for a subscriber when connected to a network.

**SMP** – Significant Market Power, this represents the ability to behave to an appreciable extent independently of competitors, customers and ultimately consumers. Note SMP is generally held to be equivalent to the concept of dominance under the Competition (Jersey) Law 2005.

**SMS** – Short Message Service, a service/technology that allows users to send text messages over voice-centric mobile networks.

**SSNIP** – Small but Significant Non-transitory Increase in Price, a theoretical test used in assessing market competition and market power. Based on the principle of a hypothetical monopolist and the outcomes of it increasing its prices by a notable amount, assessing the impact on the market.

**Termination Rate** – The call charge rate, levied by a terminating fixed or mobile network operator on an originating network operator for calls made by subscribers, charged in pence per minute.

**WLR** – Wholesale Line Rental, the provision of a wholesale service by the incumbent network operator, in Jersey JT via FFTP, to allow competing operators to offer equivalent voice service to consumers.