

To

Deputy Kirsten Morel  
Chair  
Economic and International Affairs Scrutiny Panel

*Via email*

14<sup>th</sup> Aug 2020

Sub: Airtel Response to *Review of the decision to demerge CICRA*

Dear Deputy Morel

I am writing in response to your letter dated 7<sup>th</sup> July 2020. In your letter The Economic & The International Affairs Scrutiny Panel asks three questions regarding the demerge of CICRA to which I respond below:

**1. What are your views on the effects of the separation of the regulatory authorities?**

As you are aware, amongst the utilities perhaps 'Telecoms' is the only sector where competition exists evident from how three licensed operators are engaged in a fierce competition. All three operators have an individual presence and operations in both the Bailiwicks. Majority of the issues facing three Telcos are common across the Bailiwicks, and consultations initiated by CICRA including subsequent decisions have been pan Channel Island. Therefore, the decision of both Governments from 2012 to combine the offices of JCRA and GCRA was regarded as pragmatic.

However, reverting to insular Authorities certainly increases the challenge of coordination across both the jurisdictions, with the potential for unnecessary increased delay and duplication of efforts between islands on critical issues or even regarding future technology matters such as allocation of 5G spectrum, etc.

We also hope that CICRA's demerge should not impact or curtail any of the planned and ongoing market & process reviews including any ongoing investigations. We hope to see that all such ongoing market reviews and investigations are taken to its conclusion in a fair & transparent manner.

**2. In what ways do you think competition regulation will be affected, positively or negatively, by the decision?**

Since we are not aware of driving factors / reasons behind the decision to demerge CICRA, however, we wonder that rationale is to ensure a focussed authority is better for respective island market and businesses. Said that, CICRA demerge will have an impact on costs and expertise due to split of resources compounded by shortage of skills, delays due to recruitment of additional resources, etc.

The increased costs will weigh heavily on both the entities. We strongly hope that the burden of increased costs is not inflicted on telcos who continue to provide one of the world's best seamless connectivity during the most trying times of the current pandemic without any compromise on quality of service whilst catering to the unprecedented rise in voice and data traffic.

**3. When did you first learn of the possibility of this decision? Were you consulted before the decision was made?**

Airtel was neither consulted nor pro-actively informed of this decision. Rather, Airtel was surprised with the decision and it's timing when first we came to know about this vide a letter dated 22<sup>nd</sup> April 2020 written to us by Deputy Charles Parkinson – President of Committee for Economic Development, States of Guernsey.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Sid Ahlawat', with a horizontal line underneath.

Sid Ahlawat  
CEO