



Economic Development Department

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Our ref: Your ref:

Dear John.

Award of 800 MHz and 2.6 GHz spectrum

As you are aware, Ofcom is preparing to award spectrum in the United Kingdom in the 800 MHz and 2.6 GHz bands. In 2009 we separately agreed in correspondence with Ofcom that the allocation of that spectrum in our respective Bailiwicks would be managed locally, and since then our officials and lawyers have begun to work together to consider how that can best be done. We are now writing formally to ask the JCRA and the OUR to run the process of spectrum allocation on behalf of our Departments. In doing so, we have in mind the respective, but broadly similar, duties of both the Minister/States and the Authority/Director General under —

- (a) Article 7 of the Telecommunications (Jersey) Law 2002; and
- (b) section 2 of The Regulation of Utilities (Bailiwick of Guernsey) Law, 2001

to further, among other things, the interests of consumers and the economic well-being of each Island.

While the details are still being worked through, certain matters and points of principle, which will inform that process, are already apparent.

First, we are agreed in principle that the licences issued in each Bailiwick should be as consistent in their terms as possible, to promote a genuine pan-Channel Islands market in this sector.

Second, it is clear that the allocation process will include close co-operation with Ofcom, particularly in relation to the award by Ofcom of licences under the Wireless Telegraphy Act 2006, and we should be grateful if you would continue to liaise with that body as appropriate.

Third, as you are aware, our lawyers are considering, in consultation with your officials, whether any amendments to our respective local legislation will be necessitated by this work, and we shall ensure that our officials will work closely together with yours should such a step prove necessary.

And finally, and most importantly, we are all agreed that the purpose of this project is not to raise revenue, but rather to improve and increase quality, choice and value in this sector for consumers, to create new opportunities for local businesses, and to ensure that our Bailiwicks can take full advantage of the benefits offered by the "digital dividend". To that end, we do not expect monies to be raised over and above what is necessary to offset the costs which will be necessarily incurred by your organisations. We look forward to continuing to work with you in this important and valuable work.

Yours sincerely

Alan Maclean Minister for Economic Development in Jersey Carla McNulty Bauer

Minister, Commerce and Employment

Department in Guernsey