



## Call for Information

# Backhaul Products and Services to Support the Mobile Markets of the Channel Islands

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## Channel Islands Competition & Regulatory Authorities

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## 1. Introduction

1.1 The Channel Islands is fortunate to be served by three mobile network operators (“**MNOs**”).

1.2 MNOs invest in infrastructure to build mobile network. The most obvious form of infrastructure investment is the infrastructure to support the antennas that provide the ‘radio’ part of the mobile service. The antennas range from smaller micro-cells to large towers. The sites where the antennas are located are called (“**base stations**”).

1.3 In order to connect the antennas to the switching and routing equipment (the “**core network**”) MNOs use a connection that is normally termed “backhaul”.

1.4 Historically, backhaul services have either been based on copper leased lines / private circuits or microwave links. However, as new services, such as broadband have been introduced on mobile networks the data that is carried between the core network and the base stations has dramatically increased both in terms of capacity (the amount of data following between two points) and the speed (which drives the end consumer’s experience of the mobile data service being provided).

1.5 The above mentioned historic forms of backhaul infrastructure have speed and capacity restrictions. The speed and data capacity requirements that are being driven by consumers using 4G services mean that operators need to look at technologies that deliver these requirements. At the moment the ideal solution to provide backhaul services is a fibre connection between the base station and the core network.

## 2. The Issue

2.1 In Jersey the majority of fibre network has been constructed by JT. In Guernsey fibre networks have been constructed by Sure with some of the island being covered by JT. Both JT and Sure operate mobile networks and can take advantage of their own fibre networks in their respective islands. Airtel-Vodafone, on the other hand, operates mobile

networks on both Jersey and Guernsey and is reliant on backhaul services being made available from Sure and JT respectively.

2.2 Currently governments, CICRA and operators are engaged in discussions relating to the potential and timing for introducing 5G networks in the Channel Islands. It is now globally recognised that the use cases for 5G networks will significantly increase the demand for capacity and speed on backhaul networks and the only realistic means of delivering such requirements is by fibre networks.

### 3. Next Steps

3.1 CICRA is now seeking views on how best to address issues in a timely, proportionate and constructive manner. In undertaking this assessment, CICRA will seek to assess what backhaul services are required and the appropriate price setting methodology bearing in mind the following key principles:

- Fair;
- Does not distort the market, and
- Is proportional and practical.

3.2 CICRA is seeking information on the current operation of the backhaul market. It wishes to hear from all stakeholders on this matter.

3.3 The questions CICRA is seeking answers to are as follows:

*What backhaul products as services do you currently obtain from another operator?*

*Do the current backhaul products meet your technical / operational requirements? If not, please provide the rationale behind your response.*

*Are the current backhaul products affordable and priced at a level that supports your current business objectives? If not, please provide the rationale behind your response.*

*What additional backhaul products should be made available? Please provide the rationale behind your response.*

*What pricing methodology should be applied to any new backhaul products that are made available? Please provide the rationale behind your response.*

## 4. Next Steps

4.1 CICRA is seeking views on the matter covered by this consultation to further inform its consideration of the issues raised.

4.2 Interested parties are invited to submit comments to CICRA in writing or by email on the matters set out in this document to the following addresses:

2 <sup>nd</sup> Floor, Salisbury House 1-9 Union Street St Helier Jersey JE2 3RF  Email: <a href="mailto:info@icra.ie">info@icra.ie</a>	Suite 4, 1 <sup>st</sup> Floor La Plaiderie Chambers La Plaiderie St Peter Port Guernsey GY1 1WG  Email: <a href="mailto:infor@icra.gg">infor@icra.gg</a>
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4.3 All comments should be clearly marked 'Call for Information - Backhaul Products' and should arrive by 5pm on 5 November 2018.

4.4 In line with CICRA's consultation policy, it intends to make responses to the consultation available on the CICRA website. Any material that is confidential should be put in a separate annex and clearly marked as such so that it may be kept confidential.