

Intellect response to the Ofcom Consultation:

Ofcom's Draft Annual Plan 2014/2015

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Introduction

Intellect's mission is to use our expertise and knowledge to provide the highest quality of service and intelligence to our members in the information and communications technologies (ICT), electronics manufacturing and design, and consumer electronics (CE) sectors, including defence and space-related IT industries, helping them to make the right business decisions to deliver commercial solutions and achieve growth and profitability.

We do this by fostering improved business performance, encouraging thought leadership, and making the shaping of markets and influencing of policy possible.

We are constantly striving to provide work environments where our members can meet their potential and thrive in an atmosphere of excellence through working closely with the government, regulatory bodies, policy makers and businesses.

Response

Questions:

- 1) *Are there areas of Ofcom's overall strategic approaches and purposes, outlined in last year's annual plan that may need to change?*

One of Ofcom's regulatory principles is articulated as follows: "Ofcom will strive to ensure that its interventions will be evidence-based proportionate, consistent, accountable and transparent in both deliberation and outcome".

In the post 4G era the demand for spectrum is expected to grow fast to feed the need for capacity of wireless networks and applications. To meet this demand Ofcom's spectrum policy approach will need to become even more inventive in order to drive spectrum users to more efficient use in spectrum. It will be necessary to consider all existing and new methods of spectrum access to drive this objective. Some of these future methods are dependent on the development of technology that is still in its early stages of development.

Intellect suggests that the 'evidence based' regulatory principle tends to lead towards a historic, retrospective approach at a time where solutions that may bring higher efficiencies in use will be found in future technology solutions. While we do not question the principle in itself we feel Ofcom should not be limited by it in this particularly important area of its work.

- 2) *What are the issues and areas that should form Ofcom's priorities or major work areas in 2014/15?*

Proactive international engagement

There is a need to strengthen Ofcom's resources and step up the UK's representation in international fora such as ITU, CEPT and the European Union.

The international nature of spectrum allocation and harmonisation is a very important factor for the spectrum position in the UK. In order to maximise the UK position Ofcom should be equipped to play an energetic and assertive role in international negotiations so it can deliver the spectrum requirements that will enable the above technologies and services to be developed in the UK rather than elsewhere.

The upcoming 2015 World Radio Conference and the important positioning work in preparation for it requires a strong team that can influence and work to achieve the maximum results during the conference. In order for Ofcom to make the necessary inroads in the course of the coming year it needs to be resourced and focussed appropriately

Given the significant roles of CEPT and EU in ITU discussions and in developing regulations harmonised on a Europe-wide basis the same need for a well resourced and assertive UK approach must be delivered. With the rise of economies such as China, Brazil, India, Russia, Middle East and African countries the traditional balance of powers in the ITU has changed. To be able to play the effective role in the ITU required to effectively influence international spectrum negotiations, Ofcom will need to pay particular attention to building effective bilateral relationships with these rising powers on an ongoing basis, and where useful, leverage the relationships in the Commonwealth.

Innovation

The work Ofcom undertakes should include encouraging innovation in the following policy areas

- 1 Spectrum release, auctions and liberalisation
- 2 Sharing of spectrum resources particularly public and private with a focus on improving spectrum utilisation (technology and services) which could include a reinstatement of the spectrum efficiency fund and work on public / private sharing undertaken by Ofcom in the past
- 3 Explore Best Practice from other markets and implementing it

3) *Are there any specific areas for deregulation or simplification in the coming year?*

No Comment