Cover sheet for response to an Ofcom consultation

BASIC DETAILS

Consultation title: Applying spectrum pricing to the maritime sector, and new arrangements for the management of spectrum used for radar and aeronautical navigation aids (2nd Consultation)

To (Ofcom contact): Michael Richardson

Name of respondent: Guy Lachlan

Representing (self or organisation/s): British Business and General Aviation Association (BBGA)

Address (if not received by email):

CONFIDENTIALITY

Please tick below what part of your response you consider is confidential, giving your reasons why

Organisation

Nothing

Whole response

Part of the response

If there is no separate annex, which parts?

Name/contact details/job title

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Name Guy Lachlan

Signed (if hard copy)



Patron: HRH Prince Michael of Kent GCVO

Michael Richardson 3:05 Spectrum Policy Group Riverside House 2A Southwark Bridge Road London SE1 9HA

Dear Sirs,

OFCOM proposal for a new strategic management role for Government in managing radar and aeronautical navigation aids.

The British Business & General Aviation Association is pleased to have been included in OFCOM's consultation exercise on the above topic. We represent over 170 companies engaged in the business of Business & General Aviation (B&GA). As such, our membership comprises a diverse range of interests from commercial and private aircraft operators, to aerodromes, flying schools, radio manufacturers etc. The aircraft in our sector comprise about 8% of all Instrument Flight Rules (IFR) air traffic, and typically make а disproportionately large contribution to the national economy both directly in the form of maintenance, employment, services and indirectly through the inward investment resulting from owners and users of such aircraft choosing to base themselves in or operate through UK.

Due to BBGA's involvement solely within aviation, we cannot comment on questions 1-17 of this consultation. We do, however, wish to answer and comment on question 18, regarding the transfer of aviation spectrum management from OFCOM to the Government:

Our first comment is that the proposal of a "new strategic management role for Government" given in the consultation is too vague to warrant a particularly detailed response. We, of course, encourage and welcome any regulatory reform or change in management which increases safety and efficiency within the business and general aviation sector. BBGA remains cautious, however, and strongly opposes any facet of a change in management which would result in increased taxation and unnecessary regulation. It is expected that industry will be consulted on any further plans for a change in the authority managing spectrum and any financial implications resulting from other Government departments passing through variations of OFCOM's proposed licensing fees to stakeholders.

BBGA is pleased that the aviation industry's responses to the first consultation have been heeded and completely agrees that **OFCOM should not develop proposals for AIP licence fees**. However, while the cancelation of AIP licence fees is welcomed, we can infer from sections 8.17-8.21 that the possibility of a spectrum-related tax/charge has not yet been ruled-out.

To this, we must reiterate the primary argument from our original response which is that further taxation on the already heavily-regulated Business and General Aviation industry in the UK would have disastrous consequences. There is a real question mark over the future of this valuable British industry and additional taxation, be it from OFCOM or the Government, would place its future in certain jeopardy.

Furthermore, BBGA encourages the authority managing the UK spectrum in the future to adapt 8.33 kHz separation between Airband frequencies. Most jet aircraft in BBGA members' fleets currently have 8.33 kHz enabled radios, which are in operation above FL195 in European high-level airspace. BBGA Strongly recommends that NATS in conjunction with the CAA and OFCOM enable the usage of similar operating procedures in the UK. This would alleviate some of the problems of spectrum congestion and bring returns to the aircraft owners and operators who have installed this radio hardware at considerable expense.

In summary, BBGA is cautious about a change in spectrum management, but optimistic of success if it is undertaken correctly. Obviously, with plans only at a preliminary stage, further consultations will have to be undertaken. However, if strategic governmental management of spectrum can be demonstrated to be efficient and advantageous to industry then BBGA will support it. This fact is entirely dependent on whether or not the switch resulted in increased taxation (whether levied by OFCOM directly or indirectly), in which case BBGA would strongly oppose it.

If you have any further questions about who we are or our response to this consultation, please do not hesitate to contact me on the numbers below or at <u>guy.lachlan@bbga.aero</u>.

Yours sincerely,

Guy Lachlan Chief Executive



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