

Comment on Ofcom Draft Annual Plan 2008/09

Response by DETI

Background

The Department of Enterprise, Trade and Investment (DETI) is responsible for economic policy development, energy, tourism, mineral development, health and safety at work, business and consumer regulation and labour market and economic statistics services in Northern Ireland. It also has a role in ensuring the provision of the infrastructure for a modern economy.

DETI seeks to encourage the development of a world-class telecommunications infrastructure, which is essential if Northern Ireland is to compete effectively with other regions. As telecommunications is a reserved matter, DETI engages with the Department for Business, Enterprise and Regulatory Reform (DBERR) and the Regulator OFCOM as well as with the Devolved Administrations and Regional Development Authorities. It also works at encouraging the development of telecommunications infrastructure and supports stimulation of broadband awareness within Northern Ireland.

The Programme for Government (PfG) sets out a number of strategic priorities for Northern Ireland for 2008-2011. This programme seeks “to pursue an innovative and productive economy and a fair society.” It states that its top priority is to grow the economy to create wealth that will lead to a dynamic innovative economy to meet the needs of today, as well as those of future generations.

PfG envisages that a successful economy is “characterised by high productivity, a highly skilled and flexible workforce and employment growth.” To achieve this, structural weaknesses in the economy need to be addressed that will facilitate the growth of the private sector including the small and medium sized enterprises (SMEs). The Executive has proposed that to contribute to the delivery of this it will:

Work with the business sector to deliver widespread access for businesses to a next generation Broadband network by 2011.

This will contribute to delivering an innovative economy offering new opportunities for higher value-added employment. This is essential if Northern Ireland aims to retain young people, existing highly-skilled employees and attract the people and investment required to drive an increasingly knowledge-based economy.

DETI welcomes this opportunity to comment on the draft annual plan 2007/08. We have only commented on those areas relating to telecommunications matters.

Comments on Policy Work Programme

DETI has already provided input to the Digital Dividend Review. We believe that work should progress quickly to give market certainty and allow longer term plans to be formulated. We are particularly keen to see adequate mechanisms are developed that would allow local users to exploit the spectrum released.

We are pleased to note that OFCOM continues to be committed to the implementation of BT's undertakings. We expect that sufficient resources are made available to ensure all aspects are implemented. We also ask that OFCOM supply timely information on the various strands of the implementation in a format accessible and understandable by all citizen consumers. We look forward to OFCOM contributing to the debate on next generation access and have responded already to the initial consultation. We believe that cable TV companies have already deployed a next generation access network based mainly on a fibre to the cabinet technology. We hope that OFCOM can quickly signal the regulatory approach they intend to adopt that will allow private and public stakeholders to make decisions that will allow appropriate investments to be made sooner.

OFCOM's approach to the mobile sector is wide ranging at this time. We note that EU is taking a keen interest in various aspects of this sector. We look forward to OFCOM providing further clarity on this sector.

We welcome OFCOM's focus on media literacy. We believe that OFCOM may want to consider segmenting the sector to clearly identify the various stakeholders and groups in both the commercial and residential areas. We welcome OFCOM's comments on improving consumer empowerment and look forward to OFCOM developing a range of tools to address concerns DETI has encountered from consumers especially around mis-selling and billing matters.

Under the wider work programme agenda we look forward developments in the spectrum liberalisation and trading arena. We hope that mechanisms and processes are developed that allow all stakeholders from all parts of the UK to participate easily in spectrum trading. We would hope that OFCOM can develop a dynamic and varied market with many suppliers and customers active at any time.

We support OFCOM's market research and communications reports and would be keen to see regional breakdowns on the outcomes of any research undertaken.