

**WRITTEN QUESTION TO THE MINISTER TREASURY AND RESOURCES
BY DEPUTY M.R. HIGGINS OF ST HELIER
ANSWER TO BE TABLED ON TUESDAY 12th APRIL 2016**

Question

With regard to the possible merger of Jersey Telecom and Airtel Vodafone, will the Minister advise why he informed the public that the deal was going ahead at the same time as Airtel Vodafone stated that the deal was off? Will he set out the current position and the role, if any, of the Channel Islands Competition Regulatory Authorities, in respect of any delay to, or the calling off, of the merger?

Answer

The Minister did not make a public announcement on this matter. When he was telephoned, while out of the Island, by a journalist on the morning of Friday 1st April 2016 and questioned as to the status of discussions, he responded that he understood discussions between JT and Airtel were ongoing. At that point in time that was exactly the position as known to the Minister. The press release issued by the local management of Airtel announcing that they had disengaged from merger discussions was not issued until later on that Friday afternoon. Between these two times there was speculation in the media as to what Airtel had or had not stated and much confusion as to whether such statements were on or off the record.

CICRA had in the earlier stages of merger negotiations carried out a stage 1 assessment of the proposals and its considered view was that there were issues that may lead to the refusal of approval for the merger or an approval with conditions. This being the case, it advised on 26th October 2015 that it would subject the transaction to a stage 2 detailed review if it were formally to proceed. This is entirely standard process and was therefore a known and expected position which was factored into the ongoing commercial negotiations. There has been no subsequent change to this known position.