Press release

MOBILE NETWORK SHARING

RAN-sharing agreement between Digicel and Free Caraïbe in the Antilles and in Guiana: Arcep concludes that it is not necessary to request further amendments to the contract

Paris, 13 April 2021

In February 2020, Digicel and Free Caraïbe signed a mobile network sharing agreement for Antilles and Guiana which was notified to Arcep.

Through their Madiacom joint venture, which owns and operates the shared radio access network (RAN), the two operators plan on steadily implementing a RAN-sharing scheme over two years, throughout the regions where they operate, with temporary cross-sharing of their low-band frequencies (800MHz and 900 MHz) and, in the interim, hosting Free Caraïbe temporarily on Digicel frequencies.

Arcep published a press release in June 2020 to inform market players of the contract's existence, and invited them to submit any remarks they might have. Following this call for comments, Arcep received input from Dauphin Telecom, Orange Caraïbe, and Outremer Telecom, which it then made public.

In December 2020, Digicel and Free Caraïbe notified Arcep of an amendment to their RAN-sharing agreement. This amendment stipulated that the transitory phase during which Free Caraïbe is authorised to roam on Digicel frequencies would be gradually ended on a territory-by-territory basis, as the RAN-sharing solution is implemented, and would be terminated within a maximum two years of the start of the process. The contractual amendment nevertheless provides that, should technical issues arise when implementing RAN-sharing, the parties could extend this period by an additional year, at most, through a mutually agreed upon contractual amendment. The amendment also stipulates the geographical scope of the cross-sharing of their low-band frequencies, and increases the two parties' investment plans in Guiana. Arcep informed the sector of these developments in a press release dated 18 December 2020.

The Law authorises Arcep to request changes to mobile network sharing contracts, particularly when this proves necessary to achieve regulatory objectives¹. It was in this context that Arcep examined the contract, and conducted an adversarial process with Digicel and Free Caraïbe, which is protected by trade secrecy.

After an in-depth investigation, Arcep concluded that it does not appear necessary to request that Digicel and Free Caraïbe make changes to the amended contract of 16 December 2020.

Arcep concluded, in effect, that the execution of this contract, as altered by the amendment, is not likely to create an impediment to achieving the regulatory objects set forth in CPCE Article L. 32-12, particularly with respect to:

 The transitory nature of the roaming period for Free Caraïbe on Digicel frequencies, the planned trajectory of the gradual phasing out of this roaming, region by region, apace with the structural implementation of RAN-sharing, the maximum deadline set for achieving this transition, and the criteria set for potentially extending this roaming period by way of a contractual amendment;

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¹ Pursuant to Article L.34-8--1 of the French Postal and Electronic Communications Code (CPCE), introduced by Act No. 2015-990 of 6 August 2015 on Growth, business and equal economic opportunity

² Notably the exercise of fair and effective competition between operators, for the benefit of users, stimulating investment, innovation and competitiveness in the electronic communications sector

- The size and the population of the territories covered by the RAN-sharing scheme, which do not require
 a distinction to be made between rural and densely-populated areas when deploying RAN-sharing;
- The parties' current low-band frequency holdings, and those of competing operators in the territories covered by the temporary sharing of 800 MHz and 900MHz band frequencies which, under the terms of the contract, is confined to the RAN-sharing implementation phase.

In addition, Digicel and Free Caraïbe sent a letter to Arcep setting out the objectives of their partnership, in terms of improving mobile coverage and quality of service in the overseas territories, for the benefit of users, and committed to providing the Authority with annual progress reports. These goals are based on reaching a target of more than 500 cell sites by 2025, including a large percentage of fibre-based sites, the deployment of a new backhaul infrastructure for the Upper Maroni area, and the installation of at least two additional sites on the RN2 secondary road in in Guiana by the end of 2022, provided it proves technically feasible.

Arcep will closely monitor the gradual phasing out of the roaming period for Free Caraïbe on Digicel frequencies, as well as the progress of the benefits provided to users, particularly in terms of coverage, by the network shared by Digicel and Free Caraïbe.

Arcep will then, if required, examine any additional amendments made to this contract, with respect to regulatory objectives.

Associated documents:

- Arcep press release of 12 June 2020: "Signature of a mobile network sharing agreement between Digicel and Free Caraïbe in the Antilles and in Guiana: Arcep examines and contract and issues a request for comments from the sector"
- Arcep press release of 18 December 2020: "Signature of a mobile network sharing agreement between Digicel and Free Caraïbe in the Antilles and in Guiana: Arcep has received an amendment and continues its examination, taking this new element into account
- Remarks submitted by Dauphin Telecom, Orange Caraïbe, Outremer Telecom

Arcep at a glance

The Regulatory Authority for Electronic Communications, Postal Affairs and Print Media Distribution (Arcep), a neutral and expert arbitrator with the status of independent administrative authority (IAA), is the architect and guardian of internet, fixed and mobile communications and postal networks in France.