

Press release

MOBILE NETWORK SHARING

Change to the sharing agreement between Bouygues Telecom and SFR: Arcep informs the sector and examines the amendments

Paris, 27 April 2023

Bouygues Telecom and SFR have been sharing their networks to provide 2G, 3G and 4G services in a portion of the country since 2014. On 23 January 2023, Arcep received three new contractual amendments signed by both parties whose main purpose was to extend the 5G sharing agreement and deploy new cell sites on the shared network.

On 31 January 2014, Bouygues Telecom and SFR concluded a network sharing agreement (aka "Crozon" agreement), later supplemented by amendments, notably in 2016 and 2020

The sharing agreement was signed in 2014 for a period of 20 years. It initially pertained to 2G/3G/4G networks over a large portion of Metropolitan France, with a temporary 4G roaming solution.

In 2016, in an amendment to this contract, Bouygues Telecom and SFR agreed upon a trajectory for the gradual end of SFR roaming on the Bouygues Telecom network by the end of 2018 (see inset).

In February 2020, a new amendment to the contract was sent to Arcep which covered the future deployment of new 2G, 3G and 4G cell sites, with a view to meeting their regulatory obligations under the New Deal for Mobile (see inset).

In January 2023, three new amendments to the network sharing agreement were submitted to Arcep whose aim, in particular, was to expand the sharing agreement to include 5G and incorporate new cell sites into the shared network

On 23 January 2023, Arcep received three new amendments to the network sharing agreement. Once in effect, they would include:

- Having the network sharing, excluding spectrum sharing, initially implemented for 2G, 3G and 4G technologies, to be expanded to include 5G technology. The technical, operational and financial terms governing shared 5G network operation are set out in detail;
- A new increase in shared network's density, with the addition of new cell sites. The geographical scope remains unchanged.

Arcep informs market stakeholders and examines the amendments

Arcep will examine these amendments, in particular with respect to regulatory objectives and the 25 May 2016 mobile network sharing guidelines. To this end, today Arcep is calling on market stakeholders to share their feedback on the amendment, with due regard to business confidentiality.

Stakeholders wanting to submit their remarks to Arcep have until 26 May 2023 to do so, via e-mail to: partage-reseaux@arcep.fr.

Regulatory objectives, mobile network sharing agreements between Bouygues Telecom and SFR and previous amendments

Since August 2015, Arcep has had the power to request that mobile operators amend their network sharing agreements⁽¹⁾ whenever it appears necessary to meet regulatory objectives⁽²⁾. To provide the sector with clarity on the exercise of this newfound power, Arcep published a set of <u>guidelines</u>⁽³⁾ on 25 May 2016 that set out an analytical framework for assessing network sharing agreements, and called on operators to take them into account.

As a result, Bouygues Telecom and SFR amended their **agreement in 2016** to include a trajectory for gradually putting an end to 4G roaming, by the end of 2018.

In **February 2020**, Bouygues Telecom and SFR sent Arcep **an amendment** to their network sharing agreement. The aim of this amendment was to establish design, selection and deployment rules for the new 2G, 3G and 4G cell sites being shared in the geographical area covered by the agreement, in particular with a view to meeting their regulatory obligations under the New Deal for Mobile. The rules and terms of mobile network sharing set out in the initial agreement continue to apply to these new sites as well. They also remain unchanged for existing sites contained within the scope of the agreement.

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 telecoms and postal networks in France.

⁽¹⁾ This authority is stipulated in Article L.34-8-1-1 of the French Postal and Electronic Communications Code, created by Act No. 2015-990 of 6 August 2015 on Growth, economic activity and equal economic opportunity.

⁽²⁾ Mentioned in Article L. 32-1 of the French Postal and Electronic Communications Code

⁽³⁾ https://www.arcep.fr/uploads/tx_gspublication/2016-05-25-partage-reseaux-mobiles-lignes-directrices.pdf