

# Wireless Telegraphy (Exemption) (Amendment) Regulations 2023

**Regulatory Impact Assessment** 

Publication Date: 2 March 2023

## 1. Overview and background

## Introduction

- 1.1 Ofcom acts in accordance with Government practice that, where a statutory regulation is made, a Regulatory Impact Assessment ("**RIA**") must be undertaken. We also comply with our duty under section 7 of the Communications Act 2003 (the "**2003 Act**") which imposes a duty on Ofcom to carry out impact assessments where our decisions would be likely to have a significant effect on businesses or the general public, or when there is a major change in our activities.
- 1.2 The analysis in this document is an RIA relating to the Wireless Telegraphy (Exemption) (Amendment) Regulations 2023 (the "Regulations"). It is consistent with the Government practice on RIAs and Ofcom's duty under the 2003 Act.
- 1.3 Impact assessments provide a valuable way of assessing different options for regulation and showing why the preferred option was chosen. They form part of best practice policymaking. As a matter of policy, we are committed to carrying out and publishing impact assessments in relation to the vast majority of our policy decisions.
- 1.4 For further information about our approach to impact assessments, see the guidelines, <u>Better policymaking: Ofcom's approach to impact assessment</u>, which are on our website.

## **Purpose of the Regulations**

- 1.5 We have recently made a number of policy decisions regarding the licence-exempt use of wireless telegraphy equipment which have not yet been implemented. The majority of these decisions concern the terms of the licence exemptions for short range devices ("SRDs"), although some concern the licence exempt use of non-geostationary satellite user terminals operating in the Ka band.<sup>1</sup>
- 1.6 This RIA considers the effect of the Regulations, which implement Ofcom's previous decisions to:
  - i) improve spectrum access for Radio Local Area Networks ("**RLAN**") (including Wi-Fi) in the 5150-5250 MHz band and update technical conditions for some SRDs;
  - ii) provide an additional 20 MHz of spectrum for safety-related Intelligent Transport Systems ("ITS") between 5905-5925 MHz;
  - iii) update the conditions relating to High Density Fixed Satellite Systems ("HDFSS") and Earth Stations In Motion ("ESIM") to ensure that equipment connecting to a non-geostationary satellite is no longer licence-exempt;

<sup>&</sup>lt;sup>1</sup> The licence exemption that we discuss in this document (and which the Regulations are revoking) covers the use of the Ka band in the following frequencies: 27.5–27.8185 GHz, 28.4545–28.8265 GHz and 29.4625–30 GHz.

- iv) remove the licence exemption for higher power Wideband Data Transmission Systems ("**WBDTS**") operating in the 57-71 GHz band; and
- v) close the licence exemption for the deployment of new Automotive Short Range Radars ("**SRR**") operating in the 24 GHz band.
- 1.7 In the remainder of this section, we summarise the relevant legislative framework and provide further detail on the policy decisions referred to above. In Section 2, we then consider the impact of the Regulations.

## **Relevant legislative framework**

1.8 As explained below, in the UK, Ofcom is responsible for authorising civil use of the radio spectrum and achieves this by granting wireless telegraphy licences under the Wireless Telegraphy Act 2006 (the "**WT Act**"), which sets out its specific powers and duties in relation to the licensing (and licence exemption) of wireless telegraphy equipment. Ofcom also has a number of more general statutory duties under the 2003 Act and the WT Act.

#### Ofcom's role in authorising the use of radio spectrum

- 1.9 In the UK, Ofcom is responsible for authorising the use of the radio spectrum. We permit the use of the radio spectrum either by granting wireless telegraphy licences under the WT Act (a "**WT licence**"), or by making regulations exempting the users of particular equipment from the requirement to hold such a licence.
- 1.10 Under section 8(1) of the WT Act, it is unlawful (i.e., a criminal offence) to install or use wireless telegraphy apparatus, or establish or use a wireless telegraphy station, without holding a WT licence, unless the establishment, installation or use (the "**deployment**") of such equipment is exempted. We can exempt the deployment of wireless equipment by making statutory regulations under section 8(3) of the WT Act. Such exemption may be absolute or subject to such terms, provisions and limitations as may be specified.
- 1.11 Of com may only approve regulations under section 8(3) within the limits set out in section 8(3B). In particular, the latter requires that section 8(3) exemptions must be:
  - a) objectively justifiable in relation to the use of the wireless telegraphy equipment to which they relate;
  - b) not such as to discriminate unduly against particular persons or against a particular description of persons;
  - c) proportionate to what they are intended to achieve; and
  - d) in relation to what they are intended to achieve, transparent.
- 1.12 Further, under Section 8(4) of the WT Act , Ofcom is required to make regulations to exempt specific equipment from the requirement for a WT licence if its deployment meets the requirements of section 8(5). Namely, that it is not likely to:
  - a) cause undue interference with wireless telegraphy;

- b) have an adverse effect on technical quality of service;
- c) lead to inefficient use of the part of the electromagnetic spectrum available for wireless telegraphy;
- d) inhibit the development of effective arrangements for sharing frequencies;
- e) endanger safety of life;
- f) prejudice the promotion of social, regional or territorial cohesion; or
- g) prejudice the promotion of cultural and linguistic diversity and media pluralism.

#### Ofcom's wider statutory duties

- 1.13 Ofcom's principal duties under section 3(1) of the 2003 Act are to further the interests of citizens in relation to communications matters, and to further the interests of consumers in relevant markets, where appropriate by promoting competition. These duties apply when Ofcom is carrying out its spectrum management functions.
- 1.14 In doing so, we are also required (among other things) to secure the optimal use of spectrum and the availability throughout the United Kingdom of a wide range of electronic communications services.
- 1.15 We must also have regard to, amongst other things:
  - a) the desirability of promoting competition in relevant markets;
  - b) the desirability of encouraging investment and innovation in relevant markets;
  - c) the desirability of encouraging the availability and use of high speed data transfer services throughout the United Kingdom;
  - d) the different needs and interests, so far as the use of the electro-magnetic spectrum for wireless telegraphy is concerned, of all persons who may wish to make use of it; and
  - e) the different interests of persons in the different parts of the United Kingdom; of the different ethnic communities within the United Kingdom; and of persons living in rural and in urban areas.
- 1.16 In carrying out our spectrum functions, we also have a duty under section 3 of the WT Act to have regard in particular to: (i) the extent to which the spectrum is available for use, or further use, for wireless telegraphy; (ii) the demand for use of that spectrum for wireless telegraphy; and (iii) the demand that is likely to arise in future for such use.
- 1.17 We also have a duty to have regard to the desirability of promoting: (i) the efficient management and use of the spectrum for wireless telegraphy; (ii) the economic and other benefits that may arise from the use of wireless telegraphy; (iii) the development of innovative services; and (iv) competition in the provision of electronic communications services.

## **Relevant policy decisions**

- 1.18 The Regulations:
  - amend the Wireless Telegraphy (Exemption) Regulations 2021 to make changes to licence exemption rules regarding some SRDs, satellite terminal equipment and safety-related ITS, and to remove the licence exemption for higher power WBDTS in the 57-71 GHz band<sup>2</sup>;
  - amend the Wireless Telegraphy (Automotive Short Range Radar) (Exemption)
    Regulations 2013 to close the licence exemption for the deployment of any new automotive SRR devices in the 24.25-26.65 GHz band; and
  - iii) revoke the Wireless Telegraphy (Intelligent Transport Systems) (Exemption) Regulations 2011, as the terms of this licence exemption have been moved to the Wireless Telegraphy (Exemption) Regulations 2021 and thereby consolidated with other licence exemption rules.
- 1.19 The decision to make the Regulations was taken after the following consultations and policy statements.

#### Short Range Devices (SRDs)

- 1.20 On 28 September 2022, following public consultation<sup>3</sup>, we confirmed the following four policy decisions in a document entitled "Our decision to amend the authorisation conditions for the use of certain SRDs" (the "<u>SRD Statement</u>"):
  - a) liberalise the use of 5150-5250 MHz for Wireless Access Services ("WAS") including RLAN<sup>4</sup> to enable licence-exempt use of this band using technologies such as Wi-Fi. In particular, we explained that we would allow mobile/nomadic use<sup>5</sup> outdoor in this band, and airborne use of the 5170-5250 MHz part of the band. We also explained that we would clarify that there is no requirement for Dynamic Frequency Selection ("DFS") and transmit power control ("TPC") in the 5150-5250 MHz band, and correct two technical errors for equipment in 5925-6425 MHz and 57-71 GHz bands;
  - b) make some technical and minor editorial changes to SRD applications in the bands 870-874.4 MHz, 917.3-918.9 MHz and 917.4-919.4 MHz (the "870/915 MHz bands"). These included relaxing some rules for fixed SRD network devices in the 870/915 MHz bands;

<sup>&</sup>lt;sup>2</sup> These changes include incorporating the following updated Interface Requirements into the Wireless Telegraphy (Exemption) Regulations 2021:

<sup>•</sup> IR 2030 – UK Interface Requirements 2030 Licence Exempt Short Range Devices;

<sup>•</sup> IR 2066 - UK Interface Requirements 2066 High Density Fixed Satellite Service Systems (HDFSS);

IR 2086 - UK Interface Requirement 2086 Safety Related Applications of Intelligent Transport Systems (January 2018);

<sup>•</sup> UK Interface Requirement (IR) 2093 Earth Stations in Motion.

<sup>&</sup>lt;sup>3</sup> See the <u>SRD Consultation</u>.

<sup>&</sup>lt;sup>4</sup> Wi-Fi is a type of RLAN technology.

<sup>&</sup>lt;sup>5</sup> Nomadic use means the device can be move around but is stationary when used, for example, moving a laptop from one location and having to reconnect to the Wi-Fi hotspot in the new location.

- c) extend the spectrum available for safety related ITS by 20 MHz, from 5905-5925 MHz; and
- d) close the 24 GHz band for new Automotive SRR deployments.

#### Satellite terminals

1.21 In December 2021, following public consultation<sup>6</sup>, we set out our decision to update our spectrum licensing processes and conditions for non-geostationary satellite ("NGS") systems (see the "<u>NGS statement</u>"). Amongst other things, we explained our intention to remove the licence exemption for HDFSS and Earth Stations on Moving Platforms (now referred to as ESIM) that connect to NGS satellites in the Ka Band. We advised that moving forward these devices would require authorisation under a WT licence (in particular, a satellite network licence).

#### **Higher power WBDTS**

1.22 In April 2021, following public consultation<sup>7</sup>, we confirmed our intention to remove the licence exemption for higher power WBDTS in the 57-71 GHz band (see the "<u>2021 Statement</u>"). Our decision, going forward, was to authorise higher power WBDTS via the Shared Access EHF licence. Existing users of the equipment were given a transition period to allow them time to obtain the necessary licence.

<sup>&</sup>lt;sup>6</sup> See Ofcom's <u>NGS consultation</u>

<sup>&</sup>lt;sup>7</sup> See the <u>December 2020 Consultation</u>.

## 2. Regulatory Impact Assessment

- 2.1 In this Section 2, we consider the effect of making the Regulations and explain our view that the benefits exceed the costs.
- 2.2 To help with this, we also consider the costs and benefits of doing nothing (i.e., not implementing those policy decisions).
- 2.3 In considering the effect of making the Regulations we considered that spectrum is is a vital component to enable wireless communication and one of Ofcom's main duties is to ensure that radio spectrum is used in the most effective way. Our high-level goal is to ensure that spectrum is not a barrier to making communications work for everyone.
- 2.4 We consider the impact of our decisions upon both citizen and consumer interests in the markets we regulate. We must, in particular, secure the optimal use for wireless telegraphy of spectrum and have regard to the principle under which all regulatory activities should be targeted only at cases in which action is needed. In deciding to make changes we considered the wider impact beyond immediate stakeholders in the radiocommunications community.
- 2.5 The importance of SRDs and other licence exempt devices to the economy and the increasing range of applications for these devices means that we regularly update the terms of their licence exemption. This is to ensure we can incorporate the latest technologies and technical parameters that users may wish to deploy.
- 2.6 Ofcom works closely with other European countries via the European Conference of Postal and Telecommunications Administrations (CEPT) to develop harmonised conditions for equipment. This technical work also forms the basis for many of the European Union harmonisation decisions, some of which the Regulations would align with. Ofcom has been integral to developing much of this work.

## **Making the Regulations**

#### **Benefits of making the Regulations**

2.7 The Regulations are intended to implement each of the policy decisions referred to in Section 1. These decisions relate to the use of a wide range of wireless telegraphy equipment, from keyless entry systems to satellites. However, Ofcom's statutory duties to further the interests of citizens and consumers, including through securing the optimal use of spectrum, have been key to each decision and we explain the benefits of making the Regulations below.

#### Use of 5150-5250 MHz for WAS/RLAN and other SRD changes

2.8 By making the Regulations, we are liberalising the 5150-5250 MHz band for WAS devices, including RLAN. This should enable RLAN technology (including Wi-Fi) to be used for a wider range of applications, including drones, and the deployment of more efficient routers on a licence-exempt basis, which will promote the optimal use of spectrum. Removing the DFS requirement in the 5150-5250 MHz band will enable Wi-Fi devices to operate across these bands to deliver a better customer experience. This should provide some increased capacity to help meet the rising demand for services delivered via existing Wi-Fi networks.

- 2.9 The changes made by the Regulations to the rules for fixed SRD network devices in the 870/915 MHz bands should help reduce barriers to access to these bands and enable the deployment of a wider range of equipment on a licence-exempt basis. Further, whilst the minor editorial changes that the Regulations will make to the SRD rules will not substantively change the existing licence exemption regulations, they will clarify the text in some places and may thereby increase regulatory certainty and transparency.<sup>8</sup>
- 2.10 We note that the Regulations align the licence exemption conditions for SRDs with those in the European Union<sup>9</sup>, facilitating free movement, and reducing production costs and the risks of harmful interference with other radio applications and services due to unauthorised use. Citizens and consumers should be able to benefit from the new opportunities that these devices could provide as a result of advances in technology.

#### Safety related Intelligent Transport Systems (ITS)

2.11 The Regulations extend the spectrum available for safety related ITS by 20MHz, from 5905 to 5925 MHz. Given the harmonisation of the band for road ITS use across Europe and in the US, we consider that our extended allocation in the Regulations could facilitate further improvements in road safety, road transport system efficiency, road-users' experience and encourage innovation. In addition, UK stakeholders may be able to take advantage of the economies of scale that harmonisation of this use with other countries would bring.

#### Non-geostationary High Density Fixed Satellite Service (HDFSS) and Earth Station in Motion (ESIM)

- 2.12 We consider the removal of the existing licence exemption for HDFSS and ESIMs that connect to a NGS satellite in the Ka band (and requiring that they be authorised under a relevant network licence) is important to enable us to successfully manage future coexistence between satellite networks.
- 2.13 We are mindful that, given the large number of NGSO satellites that are being deployed by operators, there is a risk of interference caused by satellites from two different operators appearing to be in the same part of the sky. This interference can disrupt the connection between an earth station (i.e. a terminal or a gateway) and the satellite it connects with, impacting the service provided to users. The risk of interference is likely to increase as NGS

<sup>&</sup>lt;sup>8</sup> See Ofcom's <u>NGS consultation</u>

<sup>&</sup>lt;sup>9</sup> Ofcom works closely with other European countries via the European Conference of Postal and Telecommunications Administrations (CEPT) to develop harmonised conditions for equipment. This technical work also forms the basis for many of the European Union harmonisation decisions, some of which the Regulations would align with. Ofcom has been integral to developing much of this work.

systems continue to develop, with future generations already being planned with more satellites, new frequency bands, and greater use of inter-satellite links etc.

2.14 Reducing the risk of interference should benefit citizens and consumers by ensuring that they are able to benefit from new high-capacity data connections across a range of services including consumer broadband, Wi-Fi on board aircraft, ships and trains; backhaul for mobile phone services and Internet of Things (IOT) for enterprises in remote areas.

#### **Higher power WBDTS**

2.15 We consider that revocation of this particular licence exemption is the most appropriate way to ensure compliance with that the safeguards to protect the general public from exposure to electromagnetic fields (EMF).<sup>10</sup>

#### **Automotive SRR**

- 2.16 The use of automotive SRR equipment has been identified as one of the ways of improving road safety. Cars with onboard radars can detect possible collisions, such as with other cars, walls or pedestrians. If a potential collision is detected, the system can alert the driver as well as trigger some automatic safety measures, if fitted.
- 2.17 The Regulations introduce a closing date after which no new equipment using the band 24.25 to 26.65 GHz will be able to be deployed in a vehicle without a WT licence.
- 2.18 This change will provide car manufacturers and consumers with certainty that deployment of road safety systems is aligned across Europe. Automotive manufacturers have access to the 79 GHz band (77-81 GHz) for this use, which has been earmarked as the permanent band for automotive SRR equipment since 2005.

#### **Costs of making the Regulations**

#### Costs to business, including small business and the voluntary sector

- 2.19 A number of the changes being made by the Regulations should not impose a cost on businesses (including small businesses) or the voluntary sector. For example, liberalisation of the use of the 5150-5250 MHz band, and our clarification that there is no requirement for DFS or TPC in that band. These changes are instead intended to relax the rules on authorization of certain SRDs.
- 2.20 Whether businesses take advantage of a licence-exemption is entirely voluntary. Businesses do not need to apply to Ofcom for a licence-exemption or pay any fees in order to benefit from the exemption. Licence-exemption represents the least cost regulatory approach to

<sup>&</sup>lt;sup>10</sup> In particular, Ofcom has put in place a requirement for holders of certain WT Act licences to comply with the International Commission for Non-Ionising Radiation Protection (ICNIRP) guidelines on limiting exposure to electromagnetic fields (EMF) (the "ICNIRP Guidelines"). As the transmit power for higher power WBDTS equipment is above the 10 Watt e.i.r.p. threshold, then we consider that the provisions relating to the ICNIRP Guidelines should apply to this equipment.

authorisation for the use of spectrum, costs to business are also likely to be lower under a licence-exemption approach than the requirement for users to obtain individual licences.

- 2.21 We recognise however that the Regulations would also remove a number of existing licence exemptions. In particular, the exemptions for automotive SRR in the 24 GHz band, for higher power WBDTS in the 57-71 GHz band and for HDFSS and ESIMs that connect to NGS satellites in the Ka band. However, we do not believe that the Regulations will have a significant impact on the costs to business and the voluntary sector for the reasons set out below.
  - a) <u>Automotive SRR</u>: we note that there have been clear indications since 2005 that the licence exempt use of the 24 GHz band would be temporary only, both within the UK and Europe. The 79 GHz band was instead designated as the permanent band for development and deployment of automotive SRR equipment on a licence-exempt basis in 2005.<sup>11</sup> As a result, we believe that almost all vehicle manufacturers would have already taken steps to switch over to the 79 GHz band or use an alternative technology. This is due to the significant period of notice that stakeholders had been provided regarding future access to the band. We note that users of existing equipment may however continue to use it for so long as they wish to maintain the originally installed equipment (e.g. providing spare parts, etc.).
  - b) <u>Higher power WBDTS</u>: We recognise that introducing a licensing regime for higher power WBDTS in 57-71 GHz places a regulatory burden on stakeholders over a licence exempt approach. This is because stakeholders would need to apply for, pay and hold a licence prior to installing and using any equipment. Licensing would make facilitating wide scale consumer device use more difficult. However, we note that the use of this equipment is restricted to outdoor fixed installations. The equipment is most likely to be used to provide wireless broadband services/ backhaul for Fixed Wireless Access solutions. These types of system are not normally deployed by end users.

Further, our decision should not impose a significant regulatory burden on stakeholders. They will instead need to obtain a Spectrum Access Extremely High Frequency (EHF) licence in order to deploy higher power WBDTS. Such a licence allows for the widespread deployment of equipment with minimal regulatory intervention and a small fee. The cost of the licence is £75 for a five-year period, which equates to an annual cost of £15. Once in possession of a licence, a licensee is able to deploy as many devices as they wish across the country without needing to approach Ofcom again. We believe that our licensing approach balances the ability for users to rollout equipment easily with the need to ensure the safeguards to protect the general public from EMF are followed.

<sup>&</sup>lt;sup>11</sup> Automotive SRR access to the 24 GHz band on a licence-exempt basis has always been on a temporary basis, first until 2013 (<u>Commission Decision of 8 July 2004, 2004/545/EC</u>) and then extended for equipment approved before 2018 (<u>Commission Implementing Decision of 29 July 2011, 2011/485/EU</u>). Finally, in March 2021, the ECC Decision (04)10 relating to the 24 GHz automotive SRR (<u>ECC Decision (04)10</u>, amended 5 March 2021) was published closing the 24 GHz band for any new SRR applications or deployments.

c) <u>HDFSS and ESIMs</u>: As with b) above, we recognise that introducing a licensing regime for HDFSS and ESIMs that connect to satellites in the Ka band will place a regulatory burden on satellite network providers over a licence-exempt approach. The fees will not be imposed on the end user of the equipment but on the HDFSS/ESIM provider of the service. NGS are now required to hold a network licence at a cost of £200 per year. As a result of this change some NGS providers, who do not currently have a network licence, will incur some additional administrative costs in applying for the licence. We do not believe this to be significant as it is a one-off application process and will impact on a small number of operators. As explained above, we consider that removing the licence exemption and placing all terminals under the relevant network licence is necessary in order to successfully manage future coexistence between satellite networks and promote competition, which is particularly important given the rapid changes that we have seen in the sector over recent years. All parts of an NGS system, including its user terminals, would be authorised under the relevant network licence.

#### **Costs to Ofcom**

- 2.22 There are one-off administrative costs associated with making regulations. We believe that the costs, such as they are, will be offset by the benefits to business and consumers outlined above.
- 2.23 When introducing a licensing regime there are also costs to Ofcom. These include the cost of processing applications, handling payments and issuing the licences. We have aimed to minimise these costs by incorporating the higher power WBDTS frequency band into the existing Spectrum Access EHF licence rather than setting up a new licence product. We do believe that these costs are acceptable in achieving our policy aims of ensuring compliance with the EMF procedures and managing future coexistence between satellite networks.

### **Doing nothing**

- 2.24 The main alternative to making the Regulations would have been to retain the existing licence exemptions as they were and not implement the above policy decisions.
- 2.25 We recognise that, by not making the Regulations, there would be no additional cost to Ofcom relating to making a Statutory Instrument. By continuing our licence exemption approach for WBDTS and NGS satellite terminals, we would also not incur the costs of setting up, processing and issuing licences.
- 2.26 It would also reduce the costs and regulatory burden to some businesses (for example, those looking to deploy a higher power WBDTS in the 57-71 GHz band, and who can no longer rely upon a licence exemption) and, by extension, consumers. However, as explained above, we do not believe that the Regulations will have a significant impact on the costs to business and the voluntary sector.
- 2.27 Further, if we do not make the Regulations, we would be depriving businesses, citizens and consumers of the benefits outlined above. For example, the liberalisation of the 5150-5250 MHz band for WAS devices (including RLAN) and relaxation of some of the rules applicable

to licence-exempt use of the 870/915 MHz bands would not be implemented, which could result in costs for businesses and consumers which are higher than they otherwise need to be. Similarly, if we were to not make the Regulations then we would not be able to manage the risk of radio interference between NGS systems, which could impact the quality and viability of satellite services, and also harm competition. Finally, we would not be implementing our wider policy on ensuring measures to protect the public from EMF are imposed on licensees if we did not remove the higher power WBDTS licence exemption.

2.28 Taking this course would also mean that we would not be implementing policy changes that Ofcom had previously consulted and decided upon, impacting on regulatory certainty that stakeholders derive from Ofcom doing what it says it will.

## Conclusion

- 2.29 We have assessed the impact of introducing the Regulations, both in this regulatory impact assessment and, as explained in Section 1, through formal public consultation with stakeholders. In this document in particular, we have done so in terms of their potential benefit to citizens, consumers and businesses, as against the likely costs. We have also assessed the implications of the alternative approach, which would be to not make the Regulations.
- 2.30 We believe that our decision to make the Regulations will benefit citizens and consumers for the following reasons:
  - the Regulations support the introduction of new and innovative technologies that will be of benefit to consumers and citizens in general and are for the use of equipment that is unlikely to cause harmful interference to other spectrum users;
  - the Regulations also mean that more spectrum will be available for a larger range of equipment of benefit to citizens and consumers such as Wi-Fi, RLAN, Internet of Things, Machine-to-Machine, and drones;
  - most measures concern the use of radio equipment on a licence-exempt basis, which reduces the regulatory and administrative burden on our stakeholders and helps to secure the optimal use of spectrum;
  - measures that result in a licence now being needed are unlikely to impose a significant regulatory burden on stakeholders and consumers and are justified by the need to ensure compliance with the limits in the ICNIRP Guidelines on EMF exposure for the protection of the general public (in the case of higher power WBDTS in the 57-71 GHz band) and the need for Ofcom to manage future coexistence between satellite networks (in the case of HDFSS and ESIMs that connect to NGS satellites in the Ka band); and
  - where appropriate, we would be aligning our exemption criteria with other European countries so that manufacturers are able to benefit from economies of scale which would then lead to lower prices for UK citizens and consumers.
- 2.31 We consider that the final decisions set out in the 2021 Statement, the NGS Statement and the September Statement and put into effect through the Regulations will deliver our

policy objectives and fulfil our statutory duties. Further, Ofcom's assessment is that the benefits of making the Regulations are likely to outweigh any costs involved.

#### **Equality Impact Assessment**

- 2.32 We consider that any impacts on consumers and citizens arising from the Regulations would not differ significantly between groups or classes of UK consumers and citizens. We have previously consulted on the policy decisions, and note that no stakeholders suggested that there would be differential impacts on different (protected) groups.
- 2.33 Additionally, there has been no evidence of differential impacts arising from our general impact assessment under section 7 of the 2003 Act, or our equality impact assessment.<sup>12</sup>
- 2.34 We also do not consider that the decision to make the Regulations would have a significantly greater direct financial impact on groups including based on gender, race or disability or for consumers in Northern Ireland relative to consumers in general.
- 2.35 We have not carried out a full Equality Impact Assessment in relation to race equality or equality schemes under the Northern Ireland and disability equality schemes at this stage. This is because we are not aware that decisions made and implemented here are intended (or would, in practice) have a significant differential impact on different gender or racial groups, on consumers in Northern Ireland or on disabled consumers compared to consumers in general.

<sup>&</sup>lt;sup>12</sup> See the analysis presented in the December 2020 consultation dealing with the proposed changes in respect of WBDTS, the analysis in the Annexes to the NGS statement in respect of NGS, and the analysis presented in the September Statement in respect of SRDs for more information.

### Declaration

I have read this Regulatory Impact Assessment and I am satisfied that the benefits justify the costs.

David Willis Group Director of Spectrum Group Office of Communications

Date: 2 March 2023

Ofcom contact point:

#### **Paul Chapman**

The Office of Communications Riverside House 2a Southwark Bridge Road London SE1 9HA