



Information & Communications Technology Authority

Public Consultation

on

Locking of Mobile Handsets

Ref: CD 2005-2

Launch Date: 25 Nov 2005

Closing Date: 24 Mar 2006

1.0 INTRODUCTION

Many mobile handsets allow the mobile service provider to prevent the handset from being used to access an alternative mobile service provider's network. This practice is generally referred to as "locking" the handset. The mobile service providers in the Cayman Islands apply this practice to some or all of the handsets they supply.

In this public consultation document, the Authority seeks comments from all interested parties on an appropriate policy regarding the locking of mobile handsets.

2.0 BACKGROUND

In paragraph 56 of ICT Decision 2005-5, *Decision on Cingular Wireless Application to Transfer of Ownership of Wireless Ventures (Cayman Islands) Ltd. to Digicel Ltd.*, the Authority noted that the locking of any handsets by any service provider may inhibit competition as it is an impediment to customers changing service providers. On the other hand, the Authority also noted that it may be argued that handset prices would rise if unlocking were to be mandated because of reduced incentives for service providers to provide handset subsidies. The Authority also noted that a jurisdiction which permits service providers to choose whether or not to lock handsets, as is currently the case in Cayman, may be viewed as according a greater freedom of choice to customers and hence a more competitive regime.

In ICT Decision 2005-5, the Authority indicated that it had insufficient information to assess where the best interests of the consumer lie, and accordingly, it intended to initiate a public consultation on the subject, prior to making a determination. In this public consultation, the Authority invites parties and the general public to provide their views, with supporting rationale, on whether the Authority should require the unlocking of mobile handsets, and if so, under what circumstances.

3.0 PROCEDURE

Any members of the public who wish to file comments may do so by submitting their comments in writing to the Authority by **13 January 2006**.

Parties are to use the following procedure:

- by **13 January 2006**, parties are required to file with the Authority their initial comments providing their views, rationale, and any supporting information. Any initial comments are to be copied to all parties licenced for mobile telephony;

- by **27 January 2006**, parties may address interrogatories to any party that has filed a submission pursuant to the above directions (parties should file the interrogatories with the Authority and copy all other parties);
- by **24 February 2006**, parties are required to file responses to any interrogatories with the Authority and to copy all other parties;
- by **10 March 2006**, parties may file comments with the Authority and any comments filed should be copied to all other parties; and
- by **24 March 2006**, parties may file replies with the Authority to any comments filed pursuant to the above paragraph. Any reply comments should be copied to all other parties.

The Authority may also address interrogatories to parties that file initial comments.

4.0 PROCESS GUIDELINES

All submissions should be filed with the Authority at the addresses provided below. In addition, all submissions should be copied to all parties at the same time they are filed with the Authority.

By post:

Information and Communications Technology Authority
P.O. Box 2502 GT
Grand Cayman
Cayman Islands

Or by courier:

Information and Communications Technology Authority
3rd Floor, Alissta Towers
North Sound Way
Grand Cayman
Cayman Islands

Or by e-mail to:

consultations@icta.ky

Or by fax to:

(345) 945-8284