

27 October 2026

Hon Paul Goldsmith
Minister for Media and Communications
Parliament Buildings
Wellington

Dear Minister

Mobile co-location – recommendation to remove redundant regulation

The Commerce Commission recommends removing mobile co-location from Schedule 1 of the Telecommunications Act 2001. Our final investigation report is enclosed.

Co-location regulation was introduced in 2001 to enable mobile operators to install equipment on competitors' towers. It supported competition by providing access to infrastructure that tower owners might otherwise have had an incentive to withhold.

The industry structure has since fundamentally changed. Spark, One NZ and 2degrees have sold their tower infrastructure to specialist tower companies. These companies do not operate mobile networks and fall outside the scope of the existing regulation. The regulation therefore currently performs no function and provides no backstop.

The commercial incentives have also changed. Tower companies increase their returns by attracting more tenants onto their towers, giving them a strong incentive to facilitate access for both existing mobile operators and prospective new entrants. Our investigation found no evidence of systemic access barriers requiring regulatory intervention. We therefore see no present need to replace the existing regulation with regulation covering tower companies.

Removing the redundant provision would reflect how the market has been operating since divestment around three years ago. Providers are free to deal with any tower company of their choosing, and access arrangements have been negotiated commercially, without regulatory intervention.

We will continue to monitor access and competition and, if circumstances change, can investigate and recommend regulation suited to any concerns that emerge.

We would be pleased to discuss our recommendation with you.

Yours sincerely

Tristan Gilbertson

Telecommunications Commissioner

Encl. Final report on whether Mobile Co-location should be omitted from Schedule 1 of the Act