

# **PROVIDING RADIO SPECTRUM FOR BROADBAND WIRELESS ACCESS SERVICES**

## **Statement of the Telecommunications Authority**

**3 December 2007**

### **EXECUTIVE SUMMARY**

The Telecommunications Authority (“TA”) concluded views and decisions about the use of 2.3 – 2.4 GHz band (the “2.3 GHz band”) and 2.5 – 2.69 GHz band (the “2.5 GHz band”) for the provision of Broadband Wireless Access (“BWA”) services are summarized below:

#### **Spectrum for BWA Services**

##### The 2.3 GHz band

2. The TA decides to make available 90 MHz spectrum in the 2.3 GHz band for provision of BWA services.

##### The 2.5 GHz band

3. The TA decides to make available the 2.5 GHz band for BWA services, except the sub-band 2.635 – 2.660 GHz which will be further consulted by the Government for mobile TV services. Subject to the result of the frequency coordination with the Guangdong authorities, there will be between 100 and 150 MHz of frequency spectrum in the 2.5 GHz band available for the BWA services.

4. Depending on the result of frequency coordination, an amount of 190 to 240 MHz of frequency spectrum can be made available for BWA services. Consistent with the Spectrum Policy Framework, the TA will rely on market power to ensure the efficient use of frequency spectrum as a public resource. The TA will therefore offer all the available frequency spectrum for BWA services in the forthcoming auction.

#### **Maximum Spectrum for an Operator and Number of BWA Licences**

5. The 2.3 GHz and 2.5 GHz bands will be divided into blocks of 5 MHz width. Each BWA licensee will be assigned with no more than six 5 MHz blocks (i.e. 30 MHz) of the spectrum. The frequency spectrum made available should be sufficient to accommodate at least six (6) licences. The actual number of licences

that will be issued will be determined by the outcome of the auction and the commercial decisions of interested parties.

### **Spectrum Utilization Fee (SUF) and Payment Method**

6. The TA will adhere to the market-driven approach as given in the Spectrum Policy Framework, i.e. the assignment of frequency spectrum will be determined by way of an auction whenever there are competing demands.

7. The SUF will be paid using an up-front lump sum payment method.

### **Regulatory Framework and Licensing**

#### Standards and Permitted Services

8. In order to allow versatile and sustainable developments by the BWA licensee over the term of the licence, the TA decides that there will be no restriction on the applications and services for the BWA licences. Also, no particular standards or technologies will be prescribed for BWA deployment as far as it conforms to the widely recognized international standards. The frequency blocks for BWA will be assigned on a territory-wide basis.

#### Numbering and Number Portability

9. No special prefix will be allocated for fixed-mobile convergence services in short term. The TA will continue to allocate the existing number prefixes for fixed services to fixed BWA services and the existing number prefixes for mobile services to mobile BWA services.

10. BWA licensees will be required to support both mobile number portability and fixed number portability upon the grant of the licence.

11. The TA will have the power to direct the BWA licensee to facilitate FMNP during the term of the BWA licence. Whether fixed mobile number portability (FMNP) will become a mandatory licence obligation upon the issue and grant of the licence will depend on the outcome of the market survey that OFTA will commission.

### Roll-out Obligation

12. BWA licensee will be required, under the licence and guaranteed with a performance bond, to roll out the services within a specified period from the issuance date of the licence. The exact details of the roll-out requirement will be reviewed with regard to the technological development and availability of equipment nearer the time and specified in the Information Memorandum for the auction of the BWA spectrum.

### Others Requirements

13. There will not be Open Network Access requirement in the BWA licence and that BWA licensees will be subject to the requirement of denial of service to suspected stolen apparatus.

### **Way Forward**

14. The TA will make an order under section 32I(2) of the Telecommunications Ordinance designating the 2.3 GHz and 2.5 GHz bands to be subject to SUF and will recommend to the Secretary for Commerce, Economic Development the enactment of the necessary regulation under section 32I(2) to determine the SUF by auction. Upon completion of the relevant subsidiary legislations under the Telecommunications Ordinance by the Legislative Council, the TA will publish an Information Memorandum giving details of terms and conditions of auction and the licence conditions for the new BWA licence. The plan is to conduct the spectrum auction in the fourth quarter of 2008.

**Office of the Telecommunications Authority**  
**3 December 2007**