

Applications open for participating in auction of spectrum in 600 MHz, 700 MHz, 850 MHz, 2.5/2.6 GHz and 4.9 GHz bands

The Office of the Communications Authority (OFCA) published an Information Memorandum (IM) today (July 30) inviting interested parties to join the auction of radio spectrum in the 600 MHz, 700 MHz, 850 MHz, 2.5/2.6 GHz and 4.9 GHz bands.

The Communications Authority (CA) and the Secretary for Commerce and Economic Development (SCED) announced on March 30, 2021, their decisions on the arrangements to assign a total of 325 MHz of spectrum, including 220 MHz of new spectrum in the 600 MHz, 700 MHz and 4.9 GHz bands, and 105 MHz of re-assigned spectrum in the 850 MHz and 2.5/2.6 GHz bands, by way of a single auction.

"Parties interested in participating in the auction may submit their applications to OFCA on September 23 and 24 this year. The CA will hold the auction on October 25. The spectrum will be assigned to the successful bidders under unified carrier licences with a validity period of 15 years for provision of public mobile services. The release of the spectrum is expected to support further development of the fifth generation mobile (5G) services in terms of speed, capacity and coverage," a spokesperson for OFCA said.

"The SCED has set the auction reserve prices for the use of spectrum in the 600 MHz, 700 MHz, 850 MHz, 2.5/2.6 GHz and 4.9 GHz bands at \$2 million per MHz, \$5 million per MHz, \$4 million per MHz, \$5 million per MHz and \$3 million per MHz respectively. The actual amount of spectrum utilisation fees payable will be determined in the auction," the spokesperson added.

"To avoid an unduly high concentration of spectrum being held in the hands of a single spectrum assignee, spectrum caps will be imposed on the amount of spectrum in individual frequency bands which may be acquired by any assignee, namely 30 MHz for 600 MHz band, 30 MHz for the 700 MHz band, 50 MHz for the 2.5/2.6 GHz band and 40 MHz for the 4.9 GHz band," the spokesperson continued.

Detailed arrangements of the auction are set out in the IM which can be downloaded from OFCA's website (www.ofca.gov.hk/filemanager/ofca/en/content_1517/Auction_IM_20210730.pdf).