

Arrangements for assignment of spectrum in 6/7 GHz band and related spectrum utilisation fee

The Communications Authority (CA) announced today (March 1) its decision to assign a total of 400 MHz of spectrum in 6570-6770 MHz and 6925-7125 MHz band (the 6/7 GHz band) by way of auction for the provision of public mobile services. The Secretary for Commerce and Economic Development (SCED) also announced his decision on the method for determining the related spectrum utilisation fee (SUF).

The 6/7 GHz band is the remaining largest block of the mid-band spectrum that supports mobile services. It is vital to the deployment of the fifth generation mobile networks and services with speed and capacity as well as the future sustainable development of the digital economy and mobile broadband connectivity in Hong Kong.

In arriving at the decisions about the assignment arrangements of the aforementioned spectrum and the related SUF, the CA and the SCED have considered thoroughly the views and comments received in the public consultation conducted between July and August last year.

"Spectrum in the 6/7 GHz band is the mid-band spectrum which provides comparatively longer range propagation than high-band spectrum above 7 GHz, and offers wider bandwidth than the low-band spectrum below 1 GHz. Hence, it is very suitable for supporting cost effective provision of mobile broadband services to meet both coverage and capacity demands," a spokesman for the CA said.

The CA considers that there are likely competing demands for the spectrum in the 6/7 GHz band, and hence the spectrum will be assigned by way of auction. The CA, subject to the completion of amendments to the relevant subsidiary legislation, aims to conduct the auction before the end of this year.

On the relevant SUF, the SCED decided to prescribe that it will be determined by auction, with the auction reserve price to be specified nearer the time of the auction after taking into account all relevant factors. To provide greater financial flexibility to spectrum assignees, the assignees will be given a choice to pay the SUF either by lump sum payment upfront or by annual instalments in the assignment period of 15 years.

For details of the arrangements for the spectrum assignment and the related SUF, please refer to the joint statement published by the [SCED](#) and the [CA](#) today.