

**Arrangements for the Frequency Spectrum in
the 850 MHz Band upon Expiry of the
Existing Assignment for Public Mobile Telecommunications Services
and the Related Spectrum Utilisation Fee**

Introduction

1 SmarTone Mobile Communications Limited (“SmarTone”) is pleased to provide its comment to the captioned Consultation Paper jointly issued by the Communications Authority (“CA”) and the Secretary for Commerce and Economic Development (“SCED”) on 19 August 2020.

2 SmarTone would like to provide its views with regard to the questions contained in the Consultation Papers in the following sections.

Re-assignment of Spectrum of Auction

Question 1: Do you have any views on re-assigning the spectrum in the 850 MHz Band through an auction open for all interested parties?

3. We have no objection to the proposal.

Band Plan

Question 2: Do you have any views on the proposal of re-assignment of spectrum concerned as a single frequency block of bandwidth of 2 x 7.5 MHz?

4. We have no objection to the proposal.

Auction Format and Timing

Question 3: Do you have any views on the proposed format and timing of the auction?

5. We have no objection to the proposal that the spectrum in the 850 MHz band is assigned via a simple multiple round ascending auction format, if the CA is minded to assign the spectrum via auction.

6. We have proposed in our submission to the 600/700 MHz consultation paper that the spectrum in 700 MHz band would be better assigned via the clock auction format so as to ensure that the relevant spectrum is assigned on a contiguous basis. We therefore submit that the auction of 850 MHz band should be conducted on its own and separated from other spectrum bands.

Technology Neutrality

Question 4: Do you have any views on the adoption of a technology neutral approach for the use of spectrum in the 850 MHz Band in any new assignment which follows the expiry of the existing assignment?

7. The 850 MHz band is being used in America, Australia and a number of Asian countries such as Korea and Japan for various generations of mobile services. The 850 MHz band is therefore important to support inbound roamers and allows more choices of user devices. We therefore have no objection to the proposal of adopting a technology neutral approach for the use of spectrum in the band following the expiry of the existing assignment.

Network and Service Rollout Obligations

Question 5: Do you have any views on the proposed network and service rollout obligations, as well as the proposed imposition of a performance bond on the successful bidder?

8. We have no objection to the proposal.

Spectrum Utilization Fee

Question 6: Do you have any views on the proposed arrangement in relation to SUF above?

9. We agree with the proposal that spectrum assignees will be given a choice to pay the SUF either by one-off or annual payments.

10. In the event that the CA is minded to assign the spectrum via auction, SmarTone submits that the reserve price should be set as low as possible to avoid unnecessary intervention of the setting of spectrum price.

SmarTone Mobile Communications Limited

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