

Comments to draft of Invitation to Tender for Granting of the Rights to Use Radio Frequencies to Provide Electronic Communications Networks in the 700 MHz and 3400–3600 MHz Frequency Bands

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Subject:

Comments

Chapter	Lines	Comments	Reasons	Proposed change
7.8.1	Page 41	<p>Licence durations/Assignment periods of spectrum of 15 years (700 MHz) and 12 years (3400 MHz) are seen by far to short periods to recover the high investment costs and in addition those licence durations could be in violence with EC legislation.</p> <p>Regarding the difficult commercial conditions for the upcoming years after the Covid-19-crisis and the high investments for 5G (e.g. also referring to the high minimum bids) more time is needed to allow for recovery of costs.</p>	<p>The EECC* foresees in Article 49 (2) a minimum assignment period of 15 years with easy prolongation of another 5 years. In Article 49 (2) it is also layed down that <i>“Where Member States grant individual rights of use for radio spectrum for which harmonised conditions have been set by technical implementing measures in accordance with Decision No 676/2002/EC in order to enable its use for wireless broadband electronic communications services (‘wireless broadband services’) for a limited period, they shall ensure regulatory predictability for the holders of the rights over a period of at least 20 years regarding conditions for investment in infrastructure which relies on the use of such radio spectrum, taking account of the requirements referred to in paragraph 1 of this Article.”</i></p> <p><i>Various country examples within the European area would justify a longer licence duration for the 700 MHz:</i></p> <ul style="list-style-type: none"> • <i>Austria: 24 years</i> • <i>DK/Norway/France: 20 years</i> • <i>Sweden: 22 years</i> 	<p>We therefore propose a licence duration for 5G spectrum of 20 years in line with European law (EECC). A second possibility would be a harmonized licence duration of 15 years for both frequency bands with an option of easy prolongation for further 5 years.</p>

Settlement of comments received in public consultation to draft of Invitation to Tender for Granting of the Rights to Use Radio Frequencies to Provide Electronic Communications Networks in the 3.7 GHz Frequency Band

			<p>*Directive (EU) 2018/1972 of the European Parliament and of the Council of 11 December 2018 establishing the European Electronic Communications Code</p>	
7.5.1	Pages 34ff	<p>The current 700 MHz set-up on coverage obligations should be slightly optimised to secure new entrant's participation at the forthcoming auction.</p>	<p>Given the difficult commercial conditions for the upcoming years and the hurdles of 5G-infrastructure roll-out (right of ways, EMS discussions, ...) the the coverage obligations are seen as far too restrictive and exuberantly.</p> <p>We welcome the idea of granting additional time to cover population, motorways, expressways and railway corridors already incorporated now.</p> <p>However we see the proposed prolongation by one year as being too short and would demand an extension of this postponement of up to 2 years.</p>	<p>Grant an additional time (postponement of up to 2 years) for new entrants to cover population, motorways, expressways and railway corridors)</p>
11. on payment modalities for successful auction bids	p. 71 "The amount must be paid within 15 days of the date of receiving the request for payment."	<p>We think that payment modality proposed for the spectrum is not best suited to secure participation of any new entrant at the forthcoming auction.</p> <p>Given the difficult commercial conditions for the upcoming years after the Covid-19-crisis and the high investments for 5G (e.g. also referring to the high minimum bids) attractive payment modalities are needed to allow for recovery of costs.</p>	<ul style="list-style-type: none"> We propose to adapt the payment modalities of the successful auction bids towards a stepped payment instead of a lump sum. 	<p>Especially in 2020, when the high peak of corona crisis has seriously impacted business entrepreneurs we propose to adapt the payment modalities of the successful auction bids towards a stepped payment over a period of 5-10 years instead of a lump sum to be paid in 2020.</p>

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