

Multi Band Spectrum Award ComReg to complete Spectrum Award

Information Notice

Reference: ComReg 22/115

Date: 21/12/2022

Information Notice ComReg 22/115

1. On 9 November 2022, ComReg published an Information Notice (<u>Document 22/92</u>)¹ confirming that, on 8 November 2022, the Court of Appeal made an order varying the Stay ordered by the High Court thereby allowing the Auction of the Multi Band Spectrum Award to proceed but preventing ComReg from notifying the Winning Bidders of their entitlement to apply for licences² or taking any subsequent steps³ pending the determination of the substantive proceedings by Mr Justice O'Moore⁴ or further order (the "Stay").

- 2. On 14 December 2022, ComReg published the results of the Main Stage of the Award Process in <u>Document 22/105</u>5.On 19 December 2022, ComReg published the results of the Assignment Round in <u>Document 22/112</u>6.
- 3. On 20 December 2022, ComReg published an Information Notice (<u>Document 22/113</u>⁷) confirming that the High Court made an Order granting Three leave to discontinue its Appeal. ComReg was awarded its costs against Three.
- 4. On 21 December 2022, the Court of Appeal:
 - i. delivered its judgment in respect of ComReg's appeal of the Stay ordered by the High Court (and Three's cross-appeal on certain aspects of same);
 - ii. made an Order which lifted the Stay; and
 - iii. ordered Three to pay ComReg's costs relating to both the High Court and Court of Appeal Proceedings.
- 5. Consequently, there is now no impediment to ComReg completing all the remaining stages⁸ of the MBSA2 process and issuing licences for long-term (circa 19 years) spectrum rights of use in the 700 MHz, 2.1 GHz 2.3 GHz 2.6 GHz bands which will

⁴ High Court Record Number: 2021/9 MCA

Document 22/92, "Multi Band Spectrum Award – Court of Appeal varies the High Court stay order thereby allowing ComReg to run the auction", published 9 November 2022, available at www.comreg.ie

² As provided for in paragraph 3.259 of the Information Memorandum (Document 21/40) ("IM")

³ As set out in the IM.

Document 22/105,"Multi Band Spectrum Award - Results of Main Stage", published14 December 2022, available at www.comreg.ie

Document 22/112, "Multi Band Spectrum Award - Completion of Assignment Round determining the Provisional Assignment Plan and start of Negotiation Phase", published 19 December 2022, available at www.comreq.ie

Document 22/113 - Multi Band Spectrum Award - Three granted leave to discontinue its Appeal and ordered to pay ComReg's costs. www.comreg.ie

Following the completion of the Negotiation Phase which is currently underway, the remaining stages of the Award Process are the Notification and Grant Stage and the Transition Phase.

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now raise circa €448 million for the State. ComReg will proceed to do this expeditiously.

Background

- 6. The results of the MBSA2 will prove very good for competition and consumers.
- 7. The 700 MHz band is a vital EU pioneer frequency band for 5G.⁹ The coverage obligations attaching to the 700 MHz band award require, among other things, the provision of a 30 megabits per second service to 95% of the population, 90% of motorways, and 80% of primary roads. **This complements the Government's Digital Connectivity Strategy**, which targets all populated areas of the State being covered by 5G no later than 2030.¹⁰
- 8. There was significant interest in the 2.3 GHz, 2.6 GHz FDD¹¹ and 2.6 GHz TDD.¹² The Auction rules provided **strong incentives to compete for additional spectrum** and Bidders made extensive use of the Auction features which allowed for switching and competition, with all but 5 MHz of spectrum rights in the 2.6 GHz band acquired.
- 9. The award will significantly increase (by 46%) the spectrum assigned for mobile and fixed wireless services, while facilitating operators in making long-term investment decisions essential for the widespread rollout of 5G services in Ireland, which is estimated to provide overall benefits to the Irish economy in the order of magnitude of €1 billion per annum.¹³

See European Commission, "Shaping Europe's Digital Future", available at https://digital-strategy.ec.europa.eu/en/faqs/5g-questions-and-answers.

¹⁰ See <u>Gov.ie</u>, "*Digital Connectivity Strategy*", published 8 December 2022, available at <u>www.gov.ie/en/publication/</u>.

Frequency-division duplexing ("FDD") is a method for establishing a full-duplex communications link that uses two different radio frequencies for transmitter and receiver operation. FDD operation normally assigns the transmitter and receiver to different communication channels.

¹² In time-division duplexing ("TDD"), time rather than frequency is used to separate the transmission and reception of the signals, and thus a single frequency is assigned to a user for both directions.

In the Stay proceedings, ComReg, with the assistance of its external economic advisor Dr Maldoom emphasised the importance of proceeding with the MBSA2 Auction and awarding long-term licences. Dr Maldoom and a report prepared by an independent expert, Professor Peter Clinch (Jean Monnet Full Professor and Chair of Public Policy at University College Dublin) put the overall cost to the economy of a delay in the award of these long-term licences in the order of magnitude of €1 billion per annum.