

## **Multi Band Spectrum Award**

Three granted leave to withdraw its Appeal and ordered to pay ComReg's costs

Information Notice

Reference: ComReg 22/113

Date: 20/12/2022

Information Notice ComReg 22/113

1. On 14 December 2022, ComReg published an Information Notice (Document 22/105),¹ which set out the Main Stage² results of the Multi Band Spectrum Award (MBSA2).³

- 2. There are four Winning Bidders: Eir, Imagine, Three and Vodafone,<sup>4</sup> with winning bids and prices outlined in Table 1 of the Information Notice.
- 3. Later that day, ComReg received correspondence from Three indicating that it had filed a motion with the Courts Service seeking leave to discontinue its appeal of the MBSA2 Decision (the "Appeal")<sup>5</sup> and have the stay granted by the High Court on 21 July 2022 and varied by the Court of Appeal on 8 November 2022 (the "Stay")<sup>6</sup> lifted.
- 4. The application was heard in the High Court on Monday 19 December 2022, where an Order was made:
  - granting Three leave to discontinue the Appeal;
  - awarding ComReg its costs against Three; and
  - listing the matter for mention on Friday 13 January 2023 in relation to consequential orders including notice party costs and the costs incurred by ComReg as a result of the Stay.
- 5. As the Stay was varied by the Court of Appeal, an order of that Court will be needed to lift the Stay. However, the substantive challenge to the Decision is now at an end.
- 6. Commenting on developments, ComReg Commissioner Garrett Blaney said "This is very positive for connectivity in Ireland and is clear vindication of ComReg's 2020 decision to advance this award. The 46% increase in the radio spectrum assigned for mobile and fixed wireless services is significant, particularly in rural areas where wireless services play a very important role. ComReg's decision will further drive competition in the Irish communications sector".

Document 22/105, "Multi Band Spectrum Award – Results of the Main Stage", published 14 December 2022, available at <a href="https://www.comreg.ie.">www.comreg.ie.</a>

Details of the Main Stage can be found in the Information Memorandum for the Award Process (ComReg Document 21/40).

Document 20/122 and D11/20, "Multi Band Spectrum Award - Response to Consultation and Decision - The 700 MHz Duplex, 2.1 GHz, 2.3 GHz and 2.6 GHz Bands", published 18 December 2020, available at www.comreg.ie.

<sup>&</sup>lt;sup>4</sup> Bidding as Meteor Mobile Communications Limited, Imagine Communications Ireland Limited, Three Ireland (Hutchison) Limited and Vodafone Ireland Limited, respectively.

<sup>&</sup>lt;sup>5</sup> High Court Record Number: 2021/9 MCA

<sup>6</sup> Court of Appeal Record Number 2022/189

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## **Next steps**

7. It is anticipated that the Court of Appeal will accede to the application to lift the Stay. As soon as the Stay is lifted by the Court of Appeal, ComReg will complete all the remaining stages<sup>7</sup> of the MBSA2 and proceed to issue 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.

## **Background**

- 8. As noted in ComReg Document 22/105, the results of the MBSA2 should prove **very good for competition and consumers**.
- 9. The 700 MHz band is a vital EU pioneer frequency band for 5G.<sup>8</sup> 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.<sup>9</sup>
- 10. There was significant interest in the 2.3 GHz, 2.6 GHz FDD<sup>10</sup> and 2.6 GHz TDD.<sup>11</sup> 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.
- 11. 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.<sup>12</sup>

<sup>7</sup> Following the completion of the Negotiation Phase which is currently underway, the remaining stages are the Notification and Grant Stage and the Transition Phase.

<sup>&</sup>lt;sup>8</sup> See European Commission, "Shaping Europe's Digital Future", available at <a href="https://digital-strategy.ec.europa.eu/en/faqs/5g-questions-and-answers.">https://digital-strategy.ec.europa.eu/en/faqs/5g-questions-and-answers.</a>

<sup>&</sup>lt;sup>9</sup> See <u>Gov.ie</u>, "*Digital Connectivity Strategy*", published 8 December 2022, available at <u>www.gov.ie/en/publication/</u>.

<sup>&</sup>lt;sup>10</sup> 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.

<sup>&</sup>lt;sup>11</sup> 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.