

Wednesday, 29 February 2012

Ms. Yolisa Kedama
ICASA
Private Bag X10002
SANDTON
2146

**Re: DRAFT SPECTRUM ASSIGNMENT PLAN FOR THE COMBINED LICENSING OF
THE 800MHz AND 2.6GHz BANDS**

Dear Ms. Kedama,

Wireless Business Solutions (Pty) Ltd (WBS) would like to thank the Authority and the Licensing Committee for affording us an opportunity to submit written representation on Draft Spectrum Assignment Plan for the combined licensing of the 800MHz and 2.6GHz bands.

Our submission is mainly focused on the salient features of the Draft as these have a direct bearing to WBS as a Licensee.

WBS is committed to work and assist the Authority where we can to ensure that the Draft Spectrum Assignment Plan for the combined licensing of the 800MHz and 2.6GHz bands process is completed with little or no impediments.

We trust that you find the above in order.

Regards

Mlindi J. Kgamede
Head – Regulatory Affairs
WBS

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PURSUANT TO SECTION 31(3) OF THE ELECTRONIC COMMUNICATIONS ACT 2005 (ACT NO 36 OF 2005), THE INDEPENDENT COMMUNICATIONS AUTHORITY OF SOUTH AFRICA HEREBY ISSUES A NOTICE INVITING COMMENTS REGARDING THE DRAFT SPECTRUM ASSIGNMENT PLAN FOR THE COMBINED LICENSING OF THE 800MHz AND 2.6GHz BANDS.

THE 800 MHz AND 2.6 GHz DRAFT SPECTRUM ASSIGNMENT PLAN IN TERMS OF SECTION 31(3) OF THE ECA AND REGULATIONS 3 AND 7 OF THE RADIO FREQUENCY SPECTRUM REGULATIONS OF MARCH 2011

1. OBJECTIVE

- 1.1. The objective of this draft spectrum assignment plan is to provide a framework for the combined assignment and licensing of the 800 MHz and the 2.6GHz bands in term of section 31(3) of the ECA, read with regulations 3 and 7 of the Regulations, in order to derive economic and societal benefits characterised by coverage and capacity, inherent of the complementary bands to ensure efficient and effective use of the Radio Frequency Spectrum.
- 1.2. The allocation of the said bands is depicted in the National Radio Frequency Plan 2010, which is in line with ITU-R Radio Regulations edition 2008.
- 1.3. The Authority is therefore developing the spectrum assignment plan to prescribe the channelling arrangements and the licensing model and invites comments on the proposal.

WBS welcomes the Authority's efforts in ensuring that its objectives of the draft spectrum assignment plan is to provide a framework for the combined assignment and licensing of the 800 MHz and the 2.6GHz bands have a long term impact in our sector. Further, WBS wishes to caution the Authority on further delays which may occur in combining these two processes as it is evident in the same process when the Authority embarked on a Licensing process of the 2.6GHz and 3.5GHz and reason thereof.

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It is also critical to note that this has an enormous impact to us as a business since the process of licensing the 2.6GHz and the 3.5GHz was initiated long after WBS applied for additional spectrum in the 2.6GHz and our application was then put in abeyance pending the outcome of the Licensing framework which is still pending.

Similarly, the Authority has put our 800MHz application in abeyance prior to the process underway and on both occasions these have not done well in terms of our investor's confidence.

2. PURPOSE

2.1. The purpose of the spectrum assignment plan is to;

- (i) Indicate the types of services to be provided,
- (ii) Set out the specific terms and conditions for the use of the 800MHz and 2.6GHz radio frequency bands,
- (iii) Set out specific qualification criteria to be met by applicants,
- (iv) Set out the procedures and timetable to be followed for assignment and licensing,
- (v) The apportionment of the 800MHz and 2.6GHz bands for International Mobile Telecommunications,
- (vi) Give detailed frequency channelling arrangements, and
- (vii) Indicate the licensing approach

WBS supports the Authority in terms of its intended Purpose for the Spectrum Assignment Plan.

4. THE POLICY OBJECTIVES AND MOTIVATION

4.1. The South African government issued a broadband policy document in government gazette number 33377 on 13 July 2010 committing to making broadband available to all its citizens.

The intention is to bridge the digital divide, grow the economy by improving the education system, health and government services amongst others. The policy embraces access, affordability and availability of ICT services for all citizens.

The policy strives to facilitate affordable, accessible and universal access to infrastructure to citizens. Businesses, communities and the three spheres of government and to stimulate the usage of broadband services to promote economic development and growth acting as an enabler for further social benefit.

- 4.2. Recently, the presidency published a national development plan (Vision 2030) on 21 November 2011, which amongst others, seeks to address the following as part of its short term goals on ICT for 2012 - 2015:
- (i) Develop plans to allocate spectrum available with the switchover to digital broadcasting,
 - (ii) Develop strategy for universal access,
 - (iii) Ensure resourced Regulatory agencies to encourage market entry, fair competition and regulate market failure,
 - (iv) Implement service and technology neutral flexible licensing regime, and
 - (v) Free spectrum for efficient use to drive down costs.
- 4.3. According to Creamer Media's Telecommunications 2011, South Africa Telecoms report, there are approximately 49 million people in South Africa. However there are only 4 million fixed lines, with the majority being in urban areas.
- 4.4 According to the same report the arrival of mobile services in the country changed lives of many South Africans in both urban and rural areas. The mobile penetration is expected to be more than 104% in 2011.
- 4.5 It can, therefore, be concluded that "broadband for all citizens" in South Africa can be achieved mainly through mobile telecommunication technologies.

- 4.6. The 800 MHz and 2.6 GHz bands have been identified worldwide for International Mobile Telecommunication (IMT) technologies, which should provide mobile broadband wireless access.
- 4.7 These bands complement each other in the sense that they fulfil the requirements for capacity and coverage which make them suitable for rural and urban areas and for bridging the digital divide.
- 4.8 It is for the above reasons that the Authority has decided on combined licensing of the bands, to bridge the digital divide and urban - rural divide.

WBS supports the DoC's and Government Policy Interventions and its Objectives. As at the end of 2010 reports showed that South Africa was still lagging behind in terms of Broadband Penetration. WBS has however targeted some of the most of rural areas in the KZN Province including the Sisonke District Municipality.

We further wish to see the Authority working closer with the Department of Communications in ensuring that once the licensing process has been concluded; there is a coherent approach in brining services to the three spheres of Government and Local Communities.

The Department has established a Broadband Intergovernmental Committee which was aimed at ensuring that there are synergies in the rolling out of Broadband Infrastructure and Services but the implementation thereof has not been a success.

5. LICENSING PHILOSOPHY

- 5.1. It is the intention of the Authority to allow as many entities as possible to access the spectrum in the 800 MHz and 2.6 GHz bands. For this reason the Authority has considered mechanisms that will encourage sharing of spectrum.

- 5.2. In order to fulfil national policy objectives the Authority has considered introducing Wholesale Open Access model and Managed Spectrum Park model as forms of sharing mechanisms over and above Universal Service Access as part of obligations.
- 5.3. Wholesale Open Access model refers to a sharing model where a licenced entity allows other entities to offer services using its network. The Authority defines open access in terms of "no locking", "no blocking" and "no retail". Open Access is a special case of Managed Spectrum Park model described in item 5.8 below.
- 5.4. "no locking" means that there would be no prohibitions against devices that may be connected to the network so long as the devices are compatible with, and do not harm the network.
- 5.5. "no blocking" means that there would be no restrictions against content, applications, or services that may be accessed over the network provided they are legitimate and comply with the laws of the country.
- 5.6. "No retail" means that the licensee will not offer any retail services to end users but will provide basic transport capacity to unaffiliated retail service providers on a non-discriminatory basis. The disassociation of transport from retail services will promote competition and benefit consumers.
- 5.7. The Authority proposes that any entity licenced for both 800 MHz band and 2.6 GHz band should be obliged to build an Open Access network.
- 5.8. The Managed Spectrum Park model refers to a sharing model where a number of entities apply to participate in sharing a block of common spectrum on self-managed basis and according to some regulations and/ or agreed procedures. The model encourages efficient use of spectrum, innovation and flexibility and provide for low-cost compliance and administration over time.

- 5.9. The Authority will also endeavour to set aside spectrum exclusively for entities that do not currently have access to designated IMT bands.
- 5.10. Designated IMT bands in this plan refer to 790 – 862 MHz (800 MHz), 880 -915/925-960 MHz band (900 MHz), 1710 - 1785/1805 - 1880 MHz band (1800 MHz), 1920-1980/2110-2170 (2100 MHz) and 2500 – 2690 MHz band (2.6 GHz).
- 5.11. The band 3400 - 3600 MHz (3.5 GHz) is specifically excluded in the definition of designated to allow current licensees in this band to have access to a lower spectrum range.
- 5.12. Entities in 3.5 GHz band who wish to apply and have access to 2.6 GHz band in the current process must undertake to surrender their spectrum in 3.5 GHz band to the Authority if they are successful unless they present a compelling case why they should be allowed to keep it.
- 5.13. The bands 450-470 MHz and 2300 - 2400 MHz (2.3 GHz) are specifically excluded in the designated IMT bands due to the fact that there are no permanently licenced entities for IMT services in these bands.

WBS would like to caution the Authority on the "no locking", "no blocking" and "no retail" principal and the way in which it is intended to be applied.

- *["no locking" means that there would be no prohibitions against devices that may be connected to the network so long as the devices are compatible with, and do not harm the network.]*

WBS is of the view that it is very essential for the Authority to clearly specify that, including but not limited to, such devices shall be Type Approved by itself and shall conform to the Network Specifications of the Network Operator for the avoidance of Network abuses.

- ["no blocking" means that there would be no restrictions against content, applications, or services that may be accessed over the network provided they are legitimate and comply with the laws of the country.]

WBS is of the view that the Authority shall have to clearly specify that, including but not limited to, such content, applications, and/or services that may be accessed over the network provided shall not compromise the effectiveness and efficiency of the provided Network.

6. FREQUENCY CHANELLING ARRANGEMENT

6.1. The 800 MHz band channel arrangement is as follows:

- 6.1.1. The 800 MHz band has been allocated to the mobile, except aeronautical mobile, service in accordance with Article 5 provision of the ITU radio regulations. The band is identified for IMT and is allocated in terms of Resolution 224 and 749 as revised in the World Radiocommunications Conference 2007 (WRC-07).
- 6.1.2. The Authority proposes that the design of frequency channel arrangement for the 800 MHz band should be in line with the decision ECC/DEC/(09)03 of the European Communications Committee (ECC) and the draft revision of the ITU-R Recommendation M. 1036-3.
- 6.1.3. The reason to consider ECC decision ECC/DEC/(09)03 is due to the fact that the European Community (EC) is in ITU-R Region 1, same as the Southern African Development Community (SADC) of which South Africa is a member.
- 6.1.4. SADC has already opted for the arrangement in annex 1 of ECC/DEC/(09)03 as the preferred arrangement. For this reason the Authority proposes that the design be based on this option in South Africa.

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6.1.5. The aforementioned arrangement is 2 x 30 MHz with a duplex gap of 11 MHz, based on a block size of 5 MHz, paired and with reverse duplex direction, and a guard band of 1 MHz starting at 790MHz. The FDD downlink starts at 791 MHz and FDD uplink starts at 832MHz.

6.2. The 2.6 GHz band channel arrangement is as follows:

6.2.1. The frequency band 2 500-2 690 MHz (2.6 GHz) has been allocated to the mobile, except aeronautical mobile, service in accordance with the provision 5.384A.5.384B of the ITU radio regulations. The band is identified for IMT in terms of Resolution 223 as revised in WRC-07.

6.2.2. The Authority proposes that the design of frequency configuration for this band should be in line with ITU-R Recommendation M. 1036-3 (current and the draft review) and EC decision 2008/477/EC. The reason to consider EC decision 2008/477/EC is due to the fact that the EC is in ITU-R Region 1, same as SADC of which South Africa is a member.

6.2.3. SADC, in line with EC, has already adopted option 1 of the ITU-R Recommendation M. 1036-3 (C1 in Table 3 of the Recommendation) as the preferred arrangement. For this reason the Authority proposes to implement the preferred arrangement as adopted.

6.2.4. The preferred arrangement is a duplex spacing of 120 MHz for paired spectrum operation (FDD) with uplink located at 2500 to 2570 MHz and downlink located at 2620 to 2690 MHz **The sub-band 2570 to 2620 MHz is used for unpaired spectrum operation (TDD).**

7. THE CURRENT STATUS OF 800 MHZ AND 2.6 GHZ BANDS

- 7.1. The 800 MHz band is currently used for television broadcasting by broadcasters and for CDMA2000 services by Neotel (PTY) LTD on coordination basis. Neotel has been assigned 2 x 4.92MHz of the band which spread throughout the frequency range 827.775 - 832.695MHz paired with 872.775 - 877.695MHz due to coordination requirements.
- 7.2. The Authority seeks to licence the 800 MHz band prior to spectrum release from broadcasting. The release is anticipated in year 2015 or immediately after that. This approach will allow successful applicants to plan ahead. It also allows successful applicants to consider innovative ways of using the spectrum in coordination with broadcasters prior to complete release of the spectrum.
- 7.3. The 2.6 GHz is currently configured as unpaired spectrum or TDD spectrum and a portion is currently assigned to Sentech (PTY) LTD (Sentech) and Wireless Business Solutions (PTY) LTD (WBS) respectively. Sentech is assigned 50 MHz from 2500 to 2550 MHz and **WBS is assigned 15 MHz from 2550 to 2565 MHz.**

8. IN-BAND MIGRATION IN 800 MHZ AND 2.6 GHZ BANDS

- 8.1. Due to the current status of the bands, there is a requirement for an in-band migration of the incumbents in order to make the bands aligned to the preferred frequency channel arrangements.
- 8.2. The Authority has embarked on a consultative process with the incumbents in September 2011 and considered their views accordingly.
- 8.3. The Authority therefore, proposes the arrangements in sections 8.7, 8.8 and 8.9 below.

- 8.4. The proposals for in-band migration of Sentech and WBS in the 2.6 GHz band will enable alignment to harmonised arrangement in SADC and allow a minimum of three additional operators assigned at least 2x15 MHz each in the 2.6 GHz.
- 8.5. The proposals for in-band migration for Neotel in the 800 MHz band will enable alignment to harmonised arrangement.
- 8.6. The in-band migration of Neotel in and migration of Sentech to the 800 MHz band will allow one additional operator to be assigned 2x10 MHz.
- 8.7. The following is proposed for Sentech in-band migration:
- 8.7.1. Sentech should retain 30 MHz as 2 x 15 MHz FDD in the 2.6 GHz band made up of 2500 to 2515 MHz paired with 2620 to 2635 MHz
 - 8.7.2. In addition Sentech should be assigned 20 MHz as 2 x 10 MHz FDD in the 800 MHz band in lieu of 20 MHz in 2.6 GHz band.
 - 8.7.3. The advantage of the above arrangement for Sentech is that it will be possible to retain the preferred harmonised frequency plan and Sentech would be able to address both capacity and coverage driven scenarios and, hence, fulfil its mandate for broadband coverage in rural areas.
 - 8.7.4. Sentech expressed a view that they would like to keep 2 x 25 MHz FDD in the 2.6 GHz with an option to switch 2x10 MHz to the 800 MHz band in the future.
 - 8.7.5. Given this process underway, the Authority is of the view that the proposal by Sentech is unattainable.

8.8. The following is proposed WBS in-band migration:

- 8.8.1. WBS should be migrated to occupy the upper 20 MHz of the sub-band 2570 to 2620 MHz as unrestricted spectrum.
- 8.8.2. The above arrangement affords 20 MHz unrestricted block of spectrum to WBS, which is an acceptable minimum spectrum for efficient operations in this band.
- 8.8.3. In addition WBS should be allowed to use guard band spectrum which is 5 MHz at each of the edges of their allocation as restricted spectrum, with a condition that pay spectrum fees for the guard bands as if it were a normal assignment. This will result in efficient use of the spectrum.
- 8.8.4. The rationale for allowing WBS to use the restricted spectrum (guard bands) is based on technical requirements for restricted Block Edge Mask (BEM) as expressed in EC decision 2008/477/EC and ECC Report 131.
- 8.8.5. In terms of the requirements the upper 5 MHz block of the TDD sub-band (i.e. 2615 to 2620 MHz) should be restricted and the power level should be below that of standard blocks in order to protect FDD receiving terminal stations. There is no required protection to TDD terminal stations in this block other than standard out-of-band emissions protection criteria.
- 8.8.6. Further, in a TDD to TDD frequency boundary, the first 5 MHz block of the upper TDD spectrum is designated as a restricted block and the power level should be below that of standard blocks in order to protect TDD operation below the boundary. On the other hand the restricted block is not afforded the same level of protection other than standard out-of-band emissions protection criteria.
- 8.8.7. It should also be noted that the Authority is of the opinion that WBS should be able to derive maximum benefit from the spectrum in the guard bands. It is for this reason that the Authority proposes to oblige WBS to pay the full amount of the spectrum.

8.8.8. During the consultative process, WBS indicated that they might require additional FDD spectrum in the band for the future.

8.8.9. It is the Authority's opinion that such stance by WBS is not warranted and might be viewed as uncompetitive.

8.8.10. Alternatively, the Authority seeks comments on the proposal that the 5 MHz guard bands be reserved for future use for low power devices and technologies.

WBS has always cooperated with and welcomes the Authority's proposed migration in accordance with and as expressed in our bi-lateral meeting of September 2011. WBS is prepared to be migrated to occupy the upper 20 MHz of the sub-band 2570 to 2620 MHz as unrestricted spectrum. In addition WBS want be allowed to use guard band spectrum which is 5 MHz at each of the edges of their allocation.

It is however the Authority's view that much as WBS will be allowed to use guard band spectrum which is 5 MHz at each of the edges of their allocation, "**as restricted spectrum**", with a condition that pay spectrum fees for the guard bands as if it were a normal assignment.

WBS is of the view that the Authority has based its decisions on the use of restricted spectrum (guard bands) referenced to the based on Block Edge Mask (BEM) as expressed in EC decision 2008/477/EC and ECC Report 131 which will **NOT** assist WBS in maximising the allocated guard bands effectively and efficiently

WBS is of the view that the ECC CEPT report of January 2009 is specifically developed for derivation of Block Edge Masking (BEM) for Terminal Stations in the 2.6GHz Frequency Band (2500 – 2690MHz).

The report only deals with the out-of-block part of the terminal station BEM which should be respected by any terminal station controlled by an operator in order to

manage the risk of undue interference into adjacent spectrum assigned to another operator, unless operators reach a bilateral agreement to use a less stringent BEM. It is common knowledge that it is a complex process managing interference from end user terminals (Terminal Stations) rather than from the Network side.

WBS recommends that the Authority should rather, if necessary, refer to the **Block Edge Mask Compliance Measurements for Base Stations “Recommendation ECC (11)06 of October 2011 recommendations** which proposes new regulatory approach for the definition of a set of “**common and minimal (least restrictive) technical conditions**” optimised for, but not limited to, fixed/mobile communications networks. In this case BEMs have been set into effect in order to provide a certain level of protection for wireless systems in adjacent frequency blocks and to reduce the necessity for coordination between the operators.

Further, it is critical that the Authority notes that these BEMs are not intended to replace or relax limits set in dedicated equipment standards, e.g. limits for spurious emissions.

Critical to WBS is that these Recommendations stipulate that:

- a) that Block Edge Masks (BEM) are developed as a regulatory approach for the definition of a set of common and least restrictive technical conditions;
- b) that in this approach a number of contiguous frequency blocks are assigned to network operators with usually no guard bands in between;
- c) that in this approach it is up to the license holder to decide on the size of any internal guard band inside their block, if needed;
- d) that Block Edge Masks are set into effect in order to provide a certain level of protection for wireless systems in adjacent frequency blocks and to **reduce the necessity for coordination between the operators**;

- e) that BEMs are not intended to replace or relax limits set in dedicated equipment standards, e.g. limits for spurious emissions;
- f) that this Recommendation is not intended to replace any conformity assessment procedures; and
- g) that additional specific methods can be agreed upon between the Authority and respective operators.

In terms of gaining access to additional FDD spectrum WBS is of the view that our submission to the Authority during the Consultative process “**WBS indicated that they might require additional FDD spectrum in the band for the future**” was completely misconstrued and misunderstood and does not amount to WBS planning to be anticompetitive for the following reasons;

- I. WBS does not exclusively want to gain access specifically to additional FDD spectrum specifically in the 2.6GHz as indicated by the Authority.
- II. WBS is the only Operator that is currently deploying Broadband infrastructure in the rural underserved and underserved areas of the country. We have rolled out a Broadband network in the Sisonke District Municipality in rural KZN and have connected some of the Department of Higher Education and Training (DoHT) Further Education and Training (FET) Colleges including the Tshwane North FET College which never had Broadband connectivity before.¹
- III. For WBS to remain focused and able to deliver Broadband Services in such rural underserved and un-served areas we require IMT Wireless Broadband Spectrum which will enable us to deploy latest yet cost effective technologies to these areas.
- IV. It is for such reasons that WBS presented its case in point to gain access to ANY of the designated IMT bands including but not limited to 800MHz, 2.6GHz

¹ http://www.itweb.co.za/index.php?option=com_content&view=article&id=51218

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and 3.5GHz in accordance with our pending applications which were lodged prior to this licensing process.

8.9. The following is a proposed Neotel in-band migration

8.9.1. The Authority proposes that Neotel should be migrated to occupy the first 2 x 10 MHz in the 800 MHz band.

8.9.2. The proposal affords Neotel an increased and technically acceptable amount of radio frequency spectrum for future deployment of IMT technologies in the 800 MHz band.

8.9.3. During the consultative process, Neotel, raised concerns that IMT technologies are not currently geared towards voice services and their current deployment of CDMA2000 is suitable for voice and could still have a life cycle of about 10 years.

8.9.4. For this reason the Authority proposes that Neotel is allowed to keep 2 x 1.2 MHz for CDMA200 in the band.

8.9.5. In order to mitigate any possible technical issues, the Authority should oblige Neotel to keep the 2 x 1.2 MHz assignment as close as practically possible to their 2x10 MHz proposed assignment and ensures that no interference is caused to other services in the band.

9. THE SPECTRUM ASSIGNMENT PLAN AND LICENSING FRAMEWORK

9.1. For the purpose of planning the 2.6 GHz band for licensing, the following spectrum blocks are defined:

9.1.1. Block A is 2 x 15 MHz spectrum made up of 2500 to 2515 MHz paired with 2620 to 2635 MHz to be assigned to Sentech.

- 9.1.2. Block B is 2 x 20 MHz spectrum made up of 2515 to 2535 MHz paired with 2635 to 2655 MHz
- 9.1.3. Block C is 2 x 20 MHz spectrum made up of 2535 to 2555 MHz paired with 2655 to 2675 MHz
- 9.1.4. Block D is 2 x 15 MHz spectrum made up of 2555 to 2570 MHz paired with 2675 to 2690 MHz
- 9.1.5. Block E is 20 MHz unpaired spectrum made up of 2570 to 2590 MHz
- 9.1.6. Block F is 30 MHz unpaired spectrum made up of 20 MHz spectrum in 2590 to 2615 MHz and spectrum in the guard bands made up of 2590 to 2595 MHz and 2615 to 2620 MHz
- 9.2. For the purpose of planning the 800 MHz band for licensing, the following spectrum blocks are defined:
 - 9.2.1. Block X is 2 x 10 MHz spectrum made up of 791 to 801 MHz paired with 832 to 842 MHz to be assigned to Neotel
 - 9.2.2. Block Y is 2 x 10 MHz spectrum made up of 801 to 811 MHz paired with 842 to 852 MHz to be assigned to Sentech.
 - 9.2.3. Block Z is 2 x 10 MHz spectrum made up of 811 to 821 MHz paired with 852 to 862 MHz
- 9.3. For the purposes of the licensing process, the following licensing packages are defined:
 - 9.3.1. Package 1 consists of Block B in the 2.6 GHz band and Block in the 800 MHz band

9.3.2. Package 2 consists of Block C in the 2.6 GHz band.

9.3.3. Package 3 consists of Block D in the 2.6 GHz band.

9.3.4. Package 4 consists of Block A in the 2.6 GHz band and Block Y3 in the 800 MHz band.

9.3.5. Package 5 consists of Block E in the 2.6 GHz band.

9.3.6. Package 6 consists of Block F in the 2.6 GHz band.

9.3.7. Package 7 consists of Block X in the 800 MHz band

9.4. The Authority proposes that packages or blocks defined above be apportioned as follows:

9.4.1. The Authority proposes to licence Package 1 to an individual ECNS licence holder on Wholesale Open Access conditions described in 5.3 of this document.

9.4.2. The Authority proposes licensing Package 2 to an individual ECNS licence holder that has no spectrum license in any of the designated IMT bands.

9.4.3. The Authority proposes licensing Package 3 to an individual ECNS licence holder that has no spectrum license in any of the designated IMT bands.

9.4.4. The Authority proposes to licence Package 4 to Sentech on Wholesale Open Access conditions as defined in 5.3 of this document.

9.4.5. The Authority proposes that Package 5 should be reserved for Managed Spectrum Park. With this, the Authority will in future invite and set out conditions for applicants who wish to participate in the Managed Spectrum Park process.

- 9.4.6. The Authority proposes licensing Package 6 to WBS.
- 9.4.7. The Authority proposes licensing Package 7 to Neotel.
- 9.4.8. Further, the Authority proposes to allow Neotel to keep and be licensed for 1.2 MHz in the 830.8-832 MHz paired with 1.2 MHz in 875.8-877 MHz band for CDMA operations.
- 9.5. Successful applicants are expected to provide broadband services in line with the IMT framework as defined by the ITU.
- 9.6. For the purposes of clause 9.5 above, IMT refers to IMT-2000, IMT-Advanced and future technologies succeeding IMT.
- 9.7. The bands should be used in accordance with terms set out in the section about apportioning of the spectrum blocks and in accordance with other terms and conditions set out in the ITA.
- 9.8. The qualification criteria to be met by applicants are set out in the ITA.
- 9.9. Procedures and timetable for the licensing process is set out in the ITA.
- 9.10. A summary of the licensing framework as discussed is shown in Table 1, Table 2 and Table 3 attached.

WBS has demonstrated earlier in section 8 of this document that we deploy significant infrastructure in rural areas, however for an operator that is willing to deploy infrastructure in the most of rural areas of our country, such an operator needs to be enabled by the Authority in ensuring that relevant Spectrum band(s) is allocated.

It is for these reasons that WBS is of the view that the Authority may need to reconsider restrictions as proposed in the draft document whereby operators already having access to some designated ITM Bands will not be considered for other IMT bands.

In most instances access to these bands was granted based on their own historic merits at given point in time, however due to technological evolution these bands are now being earmarked as critical and a thing of the future.

Such an exclusion may be viewed discriminatory from the Authority and a question may be raised in terms of other spectrum resources which are still allocated to incumbent operators including historic PSTN and GSM operators.

In Conclusion

WBS notes with concern that the process of licensing the 2600MHz specifically has been a prolonged one with an understanding that the Authority has to undertake a flawless and unchallengeable decision.

We however wish to commend the Authority in taking this process a step further and we avail ourselves to assist and support the Authority in any form to see the process to the end.

Yours truly,

Thami Mtshali
Chief Executive Officer
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Holding Company Directors: Thami Mtshali, Alan Knott-Craig, Martin Kuscus, Mputumi Damane, David Hilewitz, Brett Levy, Pieter Uys, Sidney Ellerrine, Dr David Fraser

