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Draft Policy for New Spectrum Bands - 700MHz, 11GHz, 12GHz and 42GHz

With the publication of a "Draft Policy for New Spectrum Bands – 700MHz, 11GHz, 12GHz and 42GHz" (document reference number ECS 01/2012), today the Utilities Regulation and Competition Authority (URCA) launched a public consultation on the drafting of policy to regulate a planned opening of spectrum bands.

Spectrum, an essential component of the electronic communications sector, is a valuable resource that is naturally limited in supply. The radio-frequency spectrum is the medium used for the transmission of cellular radio, radio-paging, satellite communication, over the air broadcasting and other services. Part of the regulatory responsibility of URCA entails ensuring effective spectrum management.

This consultative policy review exercise is the fourth in a seven-step process initiated in October 2010. Earlier steps included industry consultations to assess sector interest in and demand for the proposed band opening. Last May 2011, URCA published a statement of the results arising consultations (document early reference number **ECS** http://www.urcabahamas.bs/publications.php?cmd=view&id=77&pre=y), addition in proposed regulatory guidelines (document reference number **ECS** 11/2011. http://www.urcabahamas.bs/publications.php?cmd=view&id=78&pre=y). This draft policy document incorporates URCA's assessments of industry responses to proposed reforms and expressions of interest.

Of the spectrum bands to be opened, the 700 MHz band, spanning 698 MHz to 806 MHz, is expected to have the most significant impact on the sector. The Bahamas national spectrum plan currently allocates this band to broadcasting, utilising older Ultra High Frequency (UHF) and Very High Frequency (VHF) technologies. With the increased efficiency of new digital broadcasting methods, and just a single broadcasting provider in The Bahamas requiring VHF spectrum, the spectrum within the 700 MHz band is available to be repurposed. Consistent with international usage (as guided by the International Telecommunications Union (ITU), this 'digital dividend', is now being allocated to other more advanced uses; including next generation wireless services, among them fourth generation (4G) mobile networks, such as networks using LTE (Long Term Evolution) technology.

In its draft policy, URCA has also expanded licensing conditions, notably by adding a new requirement for national coverage. This move is designed to ensure as wide coverage of licensed services throughout The Bahamas as may be possible. The draft lays out a timetable establishing minimum timeframes by which the licensee would be expected to have rolled out services beyond New Providence and Grand Bahama. The draft policy also obliges operators to an eighteen (18) month window within which initial services must be made operational once a license has been granted.

The proposed opening of the 11 GHz and 12 GHz bands will accommodate fixed point-to-point communication systems and fixed point-to-multipoint systems respectively. The 42 GHz band is expected to attract interest by operators for both point-to-point and point-to-multipoint communication systems. While not as popular as the 700 MHz band, URCA has received expressions of interest from existing licensees which could result in exciting new services being provided to the public using these bands.

The consultation is also seeking public and industry responses related to specific issues arising from the draft policy document; including comments on proposed interim pricing and licensing terms and conditions for the 700 MHz; and the respective packaging, pricing and licensing issues for the 11 GHz, 12 GHz and 42 GHz bands. This phase of the consultation will close on February 20, 2012. The draft and other relevant documents may be obtained from the URCA website, www.urcabahamas.bs.

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Media Contact:

A. Gabriella Fraser
Corporate and Consumer Relations Manager
Utilities Regulation & Competition Authority
P. O. Box N 4860
Nassau, The Bahamas
Email: aqfraser@urcabahamas.bs

Telephone: (242) 396 5201 Facsimile: (242) 393 0153