



## **Submission on the Information Memorandum (“IM”) related to competition aspects, IMT700 and IMT800 bands**

### **INTRODUCTION**

RAIN Networks (Pty) Ltd (“RAIN”) welcomes the opportunity to comment on ICASA’s consultation process in terms of the Information Memorandum (IM) on its intentions to license IMT700 and IMT800 bands having considered the Policy on High Demand Spectrum and Policy Direction on the Licensing of Wireless Open Access Network published in Government Gazette No. 45255, 01 October 2021.

Our submission focuses mainly on the salient aspects of Information Memorandum (IM) and does not address every point raised in the ICASA document.

### **ANNEXURE A: IM REGARDING THE LICENSING OF IMT SPECTRUM**

#### **1. SUB-1 GHZ (IMT700 AND IMT800) RADIO FREQUENCY SPECTRUM**

- 1.1 The Communications Minister Khumbudzo Ntshavheni has indicated through various media channels that the television broadcast digital migration process is set to meet the 31 March 2022 deadline that President Cyril Ramaphosa announced during his State of the Nation Address earlier this year.
- 1.2 RAIN remains hopeful that this deadline will be met and supports the auctioning of the IMT700 and IMT800 spectrum while the digital migration process is underway.
- 1.3 We urge the Authority to prioritize this process and consider publishing regular reports on the progress of the Analogue switch-off for avoidance of uncertainty in the licensing of these bands.
- 1.4 RAIN supports the suspension of any obligations, the payment of license- and auction fees until the digital migration process is complete.

## **2. OPT-IN ROUND**

- 2.1 RAIN supports the Opt-In round as a pro-competitive remedy to enable smaller players to acquire the spectrum they require to become credible national wholesalers. RAIN does not support discarding the Opt-In round.
- 2.2 RAIN supports the Authority's view that all IMT spectrum held by any licensee will be used to determine the eligibility of that licensee to qualify for the Opt-In round and towards their spectrum cap and not just the spectrum listed in table 6.1 of the ITA.
- 2.3 There could be a scenario where two bidders qualify for the same Opt-In lot and none for the other. RAIN suggests that in such a scenario the bidder who most needs the least amount of spectrum to top up be allowed to qualify for the smaller lot and the other for the larger lot.
- 2.4 The Authority further indicates that, at its discretion, it may decide to include only certain lots of certain spectrum bands in the Opt-In round as Opt-In lots. This is creating uncertainty for prospective bidders as is not clear on what is/will influence the Authority's discretion. We recommend that it may be of assistance to prospective bidders for the Authority to define these band(s) in advance.

## **3. SPECTRUM CONSIDERATION FOR CALCULATING THE SPECTRUM CAPS**

- 3.1 RAIN supports the inclusion of all IMT spectrum holdings of operators towards the spectrum cap. The intent of the auction is to license IMT spectrum to operators and it would not be appropriate to include other spectrum holdings.

## **4. ROAMING ARRANGEMENTS**

- 4.1 Roaming is not commercially, technically or operationally equivalent to operators holding their own spectrum licenses. As such, RAIN does not consider it as appropriate to include spectrum holdings of other operators on which an operator roams towards the roaming operator's spectrum cap.

## **5. CATEGORISATION OF TIER 1 AND TIER 2**

- 5.1 RAIN agrees with the Authority's classification of Vodacom and MTN as Tier 1 operators.

5.2 RAIN supports the pro-competitive mechanisms put in place by the Authority.

## **6. ROLLOUT OBLIGATIONS**

6.1 RAIN supports the imposition of rollout obligations and further that licensees may meet these obligations with any spectrum licensed to it.

6.2 RAIN supports the view that there should be a focus on underserved areas.

6.3 In the case where the Authority does not classify RAIN as a Tier-2 operator, but RAIN participates in the Opt-In round. RAIN requests the Authority to amend 12.2.3 to substituting: “This obligation does not apply to sub-national wholesalers who do not opt-in for reserved spectrum described in section 6.1” with “This obligation does not apply to sub-national wholesalers who do not opt-in for reserved spectrum described in section 6.1, but does to sub-national wholesalers who do opt-in for this reserved spectrum.

## **7. IMT3500 BAND**

7.1 RAIN supports the licensing of the IMT3500 band.

7.2 RAIN notes that the Authority did create lots in such a way that all the bidders have the flexibility to bid on any spectrum they require as allowed by their spectrum caps.

## **8. REPORT TO THE MINISTER ON SPECTRUM REQUIREMENTS FOR 5G IN THE FREQUENCY BANDS LOWER THAN 6 GHZ AND MILLIMETRE WAVE (MMW) BANDS WHICH WERE UNDER STUDY AT THE WORLD RADIOCOMMUNICATIONS CONFERENCE 2019 (WRC-19)**

8.1 RAIN notes and commends the Authority on the work done to contribute to this matter of national importance.

## **9. SPECTRUM REQUIREMENTS FOR THE WOAN**

9.1 RAIN notes that the spectrum requirements of the WOAN was determined by an exhaustive process and with the input of many interested parties including the CSIR. Rain agrees that the spectrum earmarked for the WOAN should be set aside and not licensed through this auction process.

**10. ANNEXURE B: IM REGARDING THE LICENSING OF INDIVIDUAL ELECTRONIC COMMUNICATIONS NETWORK SERVICE LICENCE (THE WOAN)**

10.1 RAIN notes the new timeline for the licensing process of the WOAN and supports this initiative.

Yours faithfully

**Rain Networks Proprietary Limited**

A handwritten signature in black ink, appearing to be 'Mlindi J Kgamedi', written over a horizontal line.

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**Mlindi J Kgamedi**, Chief Regulatory Officer