

# RESPONSES TO QUESTIONS RECEIVED ON THE INFORMATION MEMORANDUM



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## LICENCE IN THE 614 – 698 MHZ SPECTRUM BAND (SMA – IM-600-2024-05-29) June 11, 2024

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The Spectrum Management Authority (SMA) thanks all respondents for their interest in and enquiries regarding the Information Memorandum (IM) – Licensing in the 614-698 MHz Spectrum Band published on May 29, 2024. The comments have provided invaluable information concerning the requirements of the market. All the questions received at the close of the period for the receipt of clarification questions, along with their answers are presented without reference to the respondent(s).

### Answers to Submitted Questions

No	Question	Answer
1	<i>On page 10 of the IM states that the spectrum lot is 2 x 20 MHz, however the range listed is band 617 – 652 MHz (downlink) and 663 – 698 (uplink), which is 2 x 35 MHz. What is the correct spectrum lot/band on offer?</i>	The spectrum lot on offer as mentioned is contiguous 2x20 MHz. The spectrum range whereby the lot will be assigned from is 617-652 MHz (downlink) and 663-698 MHz (uplink) in accordance with 3GPP band plan 71/71N. The specific range of the contiguous 2x20 MHz will be determined in the Licence Assignment Stage as to provide the Authority some flexibility in catering for the actual status of the clearance of the band.

No	Question	Answer
2	<p>On page 12 of the IM, it states “The Minister will grant the Spectrum Licence after the exit plan of the incumbent spectrum user has been approved and the 614 – 662 MHz has been cleared”. What is the timeline for the completion of the exit and under what circumstances will the USD 8M deposit be returned to the Bid winner?</p>	<p>2A - What is the timeline for the completion of the exit plan:</p> <p>As far the Authority is aware, there is no issue with the approval of the exit plan.</p> <p>2B - Under what circumstances will the USD 8M deposit be returned to the Bid winner:</p> <p>The Deposit of USD 8M will not be returned to the confirmed Winner when the Minister grants the Spectrum Licence, as the Deposit of USD 8M is part of the Spectrum Licence Fees (of USD 24M) to be paid by the Spectrum Licensee. Section 6.1.4 (p20) states the circumstances before the <i>Authority</i> makes a recommendation to the Minister regarding who should be the Winner to be granted the Spectrum Licence. Section 5.4 (p12) states the circumstances before the <i>Minister</i> will grant the Spectrum Licence.</p>
3	<p>Published on May 29, the IM has a deadline of June 12th to secure an irrevocable letter of undertaking by a bank to underwrite the USD 8M deposit is too short, given the complexity of the transaction. Can the deadline be moved to June 26th?</p>	<p>Yes, the deadlines can be changed as requested. The changed dates are as outlined below and are also placed on the SMA’s website.</p> <p>The changed dates are:</p> <ol style="list-style-type: none"> <li>1. Bid Invitation Stage terminates at 26<sup>th</sup> of June 2024, 1:00 p.m., Jamaica Time (UTC-5);</li> <li>2. Bid Pre-qualification Stage starts 27<sup>th</sup> of June 2024 and ends 1<sup>st</sup> of July 2024;</li> <li>3. Bid Evaluation Stage starts 2<sup>nd</sup> of July 2024 and ends 8<sup>th</sup> of July 2024;</li> <li>4. Licence Assignment Stages starts 9<sup>th</sup> of July and ends at the date the Authority announces the holder of the Spectrum Licence by public notice.</li> </ol>

No	Question	Answer
4	<i>On page 42 of the IM, section Non-Observance, of the Specimen Licence, failure to fulfil the deployment conditions specified, shall see the Authority impose liquidated damages of J\$2M and further sums of J\$3M every subsequent month thereafter up to 6 months after which the Licence would be revoked. Are these conditions present in any existing spectrum Licence? Notwithstanding the best of intentions, uncertain of world economic conditions that are outside of a company's control (such as during the Covid-19 pandemic) can cause a delay to roll out plans. Can these stipulations be modified to reflect this reality?</i>	<p><i>4 A - Are these conditions present in any existing spectrum Licence?</i></p> <p>These are the recommended licence terms and conditions to be imposed subject to the approval of the Minister with principal responsibility for Telecommunications.</p> <p><i>4 B - Can these stipulations be modified to reflect this reality?</i></p> <p><i>In the Licence Assignment Stage, a modification of the Non-Observance condition (clause 5) may be considered subject to the approval of the Minister with responsibility for Telecommunications.</i></p>
5	<i>The IM purports that the 600 MHz spectrum licence will be technology neutral and yet it seeks to block the use of Fixed Wireless technology in the band. Why is this the case?</i>	The Spectrum Licence will be assigned under a mobile service allocation (primary service) as indicated in the National Frequency Allocation Table of Jamaica, and not under a fixed service allocation (a secondary service). In the Outcome Report on the Industry Consultation on Repurposing the 614-698 MHz Band, dated the 4 <sup>th</sup> of October 2022, the Authority has set out its reasons for these service allocations (pp14-16). Also, this report includes the responses of the industry parties to these proposed changes to the service allocations for the 614-698 MHz band.
6	<i>When exactly will the USD 8M deposit secured by the irrevocable letter of undertaking be drawn down by the Spectrum Management Authority?</i>	The USD 8M will be drawn down (or demanded) the moment that the Minister will grant the Spectrum Licence and subsequently the Authority will announce the holder of the Spectrum Licence by public notice.
7	<i>Would the inclusion of a counter proposal to the network roll out plan outlined in the IM, disqualify a Bid from the Bid process?</i>	The inclusion of a counter proposal to the network roll-out plan in the Bid, will not disqualify a Bid in the Bid Pre-qualification Stage. However, in the Bid Evaluation Stage a Bid including a counter proposal not meeting (i.e. are below) the stipulated minimum service level requirements will result in a lower score on the Bid Evaluation Criteria as mentioned in Table 8 of the IM.