

Vodacom and MTN welcome spectrum move

By [Thabiso Mochiko](#)

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The decision by the Independent Communications Authority of SA (Icasa) to issue spectrum licences has been hailed as "a major progressive step for the economy" because it will accelerate the roll-out of 4G wireless network. Icasa has invited interested companies to apply for spectrum within the 700MHz, 800MHz and 2,600MHz bands.



The spectrum will be auctioned, with the minimum bidding price set at R3bn, which Icasa spokesman Paseka Maleka says is in line with international benchmarks. SA has an insatiable appetite for high-speed wireless connections that enable faster downloads, and video and music streaming, among other things. But the shortage of spectrum has hampered faster roll-out of infrastructure.

Shameel Joosub, Vodacom group CEO, described Icasa's move as a "major progressive step for the economy", the telecommunications industry and the country as a whole. "There is no doubt that greater access to spectrum will give South Africans faster speeds, wider access to LTE coverage and, inevitably, lower data pricing," said the Vodacom executive.

Lifeblood of a mobile communications

MTN SA CEO Mteto Nyati said adequate frequency spectrum was often considered the lifeblood of a mobile communications company, and, equally, the availability of frequency spectrum was a very important factor in rolling out a national mobile network. "The licensing of frequency spectrum will benefit consumers who are demanding better quality and higher speeds, as it will allow operators to roll out advanced broadband services more rapidly and stimulate broadband connectivity in SA," he said.

Nyati said auctioning spectrum was the "most optimal approach". The use of auctions in licensing high-demand spectrum had been utilised globally. "In a very competitive market, spectrum auctions are a viable mechanism to ensure that spectrum is used as effectively and efficiently as possible. Benefits of auctions are that regulators are seen to act in a transparent manner," Nyati said.

Maleka said that mobile telecommunications technologies were a critical component in achieving the goal of "broadband for all citizens" in SA. Icasa has placed conditions on new licensees, which are required to make the spectrum available to three mobile virtual operators. The regulator has also set minimum speeds that licensees should provide to users.

Joosub said that, at first sight, the invitation to apply for spectrum licences included "some tough asks in terms of speeds" that needed to be attained across SA by 2020. "Having said that, it is clear that the smart intent on this front is to drive continuous investment into infrastructure," he said.

Refarming spectrum

In the absence of the spectrum, mobile network operators have been refarming their spectrum from existing users to ensure coverage for others. Refarming is the process of redeploying spectrum from existing customers and relocating it to other users.

However, Nyati said this exercise had limitations. "Refarming of existing frequency spectrum holdings also needs to be done carefully, so as not to degrade existing services," Nyati said.

Source: BDpro

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