

TCRA Responses to Questions on the Published Information Memorandum (IM)

ID	Reference section in the IM	Respondent's Question	TCRA Response
1	General	What is the national frequency allocation plan and how the current frequency is located for each operator for the band below 1GHz spectrum?	For the future frequency plan please refer to section 4.2 of the IM document.
2	3.6.2 Technical Licence Conditions	In the case of operator follow all recommendation in report CEPT 53, 60 but still facing interference with band 800 MHz TCRA shall lead in solving problem to eliminate the interference with band 800MHz. In the worst case scenario that TCRA cannot solve problem interference with band 800MHz, operator can return frequency 700 MHz to TCRA and get back all the cost spent by 700 MHz spectrum Auction.	Any interference which may occur will be resolved according to the existing relevant Regulations under EPOCA.
3	General	<p>Are there any promotion policies on terminal devices on band 700 MHz?</p> <p><u>Proposal</u> The 4G terminal devices imported in Tanzania after this auction should have to support band 700 MHz</p>	No, It is left for the market to decide which device to import and they must comply with the Electronic and Postal communication (Standards) Regulations, 2018 requirements.
4	General	<p>How will Tanzania government deal with the interference on band 700 MHz (if any)? Are there any specific mechanisms or commitments of the Government to protect the successful bidder in case of interference?</p> <p><u>Proposal</u> the Tanzanian Government must ensure that all 700 frequencies in this auction are clean on the date of granting. If not, the Government should delay the payment of spectrum fee and the fulfilment of other obligations until the successful bidders get clean</p>	The 700MHz band is clear and available for assignment after the analogy TV transmission switch off. In case of any interference relevant regulatory action will be used to resolve the problem as is the case with any other band.

		frequencies	
5	5.5.2 Bank Guarantee	The bank guarantee should be issued by a bank registered and operating in Tanzania and/ or a reputed international bank.	This is government requirement cannot be changed. Bank guarantee must be issued by banks registered and operating in Tanzania
6	6.11.2 Award process prices and payment	Please clarify the exchange rate should be set by which organisation?	Bank of Tanzania (BOT)
7	7.2.8 The assignment stage	Please clarify the details of "a bid for zero Lots" automatically submitted by the EAS (number of Lots; the per Lot price; etc.)	If a bidder fails to submit a bid within the available time, then the bidder is deemed to not wish to express any demand at the round price and the EAS will submit a bid for zero Lots. As a result, the bidder's eligibility will be reduced to zero which will prevent them for further participating in this stage of the auction.
8	9.4.1.(b)	Please clarify if the last three years are 2015, 2016 and 2017? <u>Proposal</u> In the event that the audited accounts for 2017 is not yet available, is it excepted to provide audited accounts for 2014, 2015 and 2016 and unaudited accounts for 2017	In the event that the audited accounts for 2017 is not yet available it is expected that the audited accounts for 2014, 2015 and 2016 and unaudited accounts for 2017 should be provided.
9	7.2.2 Auction Price	In any Auction Round in Auction Stage, how many times could the Bidders submit for each Lot(s)?	A bidder may only submit one bid per round. This single bid allows the bidder to express their demand for the number of Lots they demand at the current round price
10	3.3 Annual administrative fees	Is this fee different from the Frequency User Fees charged annually? Will the licensee further be required, in addition to these fees, pay the Annual Frequency User Fees for the assigned lots?? <u>Proposal</u>	Yes, The licensee of 700 MHz assigned lots will be required to pay annual administrative spectrum fee as stated in section 3.3 of IM. The cost for the spectrum includes the price paid at the auction and the annual administrative fee and the current frequency usage fee charged for other spectrum does not apply for the 700MHz spectrum.

		The Spectrum Annual Fee must be the same as the existing spectrum (like 800 Mhz, 900 Mhz) follow current regulation	
11	5.1.2 Bidder qualifications	If a Bidder is required to meet Licensing requirements; how can non-licensed operators (not in Tanzania) participate in the Auction? <u>Proposal</u> Only licensed operators in Tanzania to be allowed to participate in the Process	The auction is open to all applicants who meet the pre-qualification criteria. Successful bidders will be required to meet the licensing obligations. Applicants are not necessary required to be existing operators in Tanzania.
12	7.6.11	For the Assignment Stage; what is meant by "Positive Prices"? <u>Proposal</u> The starting prices and/or Reserve Price needs to be made clear so that the Bidder can properly plan for the Auction.	Any price which is greater than zero
13	5.5	What happens to the Bank guarantee (irrevocable) issued by the Bidder who either withdraws from the Auction or is not successful in acquiring the Spectrum?.	An applicant may withdraw their application prior to the application deadline. If an applicant withdraws their application before the application deadline then the Bank Guarantee will be returned. After the application deadline a bidder cannot withdraw their application and is legally bound to submit a bid in the first round equal to the number of eligibility points successfully applied for during the application stage. In the case of a bidder failing to win spectrum the bank guarantee will be returned back to the bidder. For more detail refer to section 6.11.5 of the IM.
14	2.1.1 & 4.1	Given that the Authority has maintained its decision to reserve 2x10MHz for future public use, would it be possible for licensees to be allowed the flexibility to select any 2x10MHz across the full	The assignment is as defined in in section 2.1.1 of the Information Memorandum to be allocated the

	Exact frequencies of 2x10MHz Reserved Spectrum	<p>2x30MHz range of 703-733MHz (Uplink) and 758-788MHz (Downlink) instead of just across the 2x20MHz range of 703-723MHz (Uplink) and 758- 778MHz (Downlink) at assignment stage?</p> <p><u>Proposal</u></p> <p>Revise 2.2.1 to:</p> <p>"The frequencies to be assigned is a maximum of 2x20MHz within the range of 703 – 733 MHz (Uplink) and 758 -788 MHz (Down Link) which is a total of 40MHz. The remaining spectrum of 2x10 MHz has been reserved for future public use."</p>	blocks in contiguous way.
15	4.1 Reserved Spectrum	<p>It is noted that the Authority has not accepted comments requesting that the proposed reserved spectrum be included in the auction and as such this spectrum remains reserved. Furthermore, it is noted that the Authority has stated that such spectrum "shall be done in accordance to the law". Can the Authority please provide more clarity on what it specifically means by this as follows in Questions 16; 17; 18,19 ,20 below.</p>	<p>The Radio Frequencies Spectrum are national resources.</p> <p>The reserved portion of Spectrum is aimed to be used for public use as would be decided by the Authority at that very time.</p>
16		Which entity is envisaged to be assigned such spectrum (if known)?	As responded in Question 15 herein above, the entry point will be decided as it was so for the on-going auction option. So far not known yet.
17		If the entity to be licensed with the reserved spectrum is known, can the Authority please clarify whether such entity will also be allowed to participate in this auction?	Refer to question above.
18		Will such entity pay upfront license fees as paid by successful bidders of this auction and not lower than the reserve price?	Refer to the question above
19		Will such entity be subject to same license terms and conditions	Refer to the question above

		including coverage, quality of service, and annual fees?	
20		Will the bidders in this auction be afforded an opportunity to participate as a potential licensee in the future licensing process for this reserved spectrum?	The spectrum is for future public use and its assignment will be determined as per existing laws and regulations in force at that time.
21	7.2.26 Counter-bids	<p>Is rule 7.2.26 not impractical based on the use of the word 'higher'? This will essentially mean that an increase of only 1 cent will be necessary to satisfy the rule.</p> <p><u>Proposal:</u> Revise 7.2.26 to:</p> <p>"A Counter Bid is required to represent a per Lot price which must be at least as high as the Auction Price in the last concluded Auction Round, and lower than the Auction Price in the current Auction</p>	The interpretation is correct and the rule should remain unchanged.
22	7.2.28 & 7.2.29 Counter-bids	<p>Does the current wording of rules 7.2.28 & 7.2.29 not provide opportunity for 'spectator' bidders to artificially drive up prices?</p> <p><u>Proposal:</u> Revise 7.2.28 to:</p> <p>"If a Bidder has two Eligibility Points in an Auction Round and bids for zero Lots, the bidder is required to submit: a. One Counter Bid for a combination of two Lots; and b. One Counter Bid for one Lot"</p>	We do not believe that the rules create a material risk of "spiteful" bidding.

		<p>Revise 7.2.29 to:</p> <p>"If a Bidder has two Eligibility Points in an Auction Round and bids for one Lot, the bidder is required to submit a Counter Bid for two Lots"</p>	
23	3.2 Coverage Obligations	Can the Authority please clarify whether UCSAF subsidized mobile radio towers (including that through tender processes) will be allowed to be utilized toward meeting the broadband coverage obligations target?	The coverage obligation target can be achieved using any mobile radio towers
24	3.2; 5.1.3; 5.3 Coverage Obligations	Can the Authority please clarify whether infrastructure sharing (e.g. passive tower sharing, roaming, active wholesale infrastructure sharing which have taken place in Tanzania in past or currently) in accordance with the applicable regulations is allowed to be utilized by licensees towards meeting the broadband coverage obligations target, especially in rural areas, and at the same time comply with the qualification criteria for applicants under Sections 5.1.3 and 5.3?	The infrastructure sharing allowed by the laws and regulations is allowed to be used to meet the coverage obligations target.
25	3.2 Coverage Obligations	Can the Authority please clarify whether the broadband coverage obligations set will apply to all licensees providing mobile broadband services, namely, a) licensees assigned with 700 MHz through auction, or b) all licensees assigned with mobile spectrum bands (existing and new)?	The obligation only applies to those securing the 700MHz spectrum as each license has own obligation.
		<p>Can the Authority please clarify whether the broadband coverage obligations set will be measured as coverage achieved collectively (shared) amongst licensees or individually? i.e.</p> <p>a) Collectively by all 700MHz licensees only or;</p>	The coverage obligation is per individual 700MHz licensee as in scenario C.

		<p>b) Collectively by all mobile spectrum licensees (existing and new 700MHz licensees) or;</p> <p>c) Individually per 700MHz licensee</p>	
26	<p>3.2.3 & Annex A "Glossary of Key Terms"</p> <p>Coverage and Quality of Service Obligations</p>	<p>Noting the Authority's clarification that any technology and any band can be used to meet coverage obligation targets. Furthermore, it is also noted that the Authority included a definition for "broadband" as "Transmission capacity that is faster than primary rate integrated Services Digital Network (ISDN) at 2.0 Megabit per second (Mbps)</p>	<p>Refer to below response of question 27.</p>
27		<p>Noting that the definition provided for broadband is more applicable to fixed networks rather mobile networks (Down-Link throughput vs Primary Rate ISDN), can the Authority please provide more detail around its expectations in terms of broadband speed/throughput given the context of the definition of broadband as provided and also taking into account that 2G radio access technologies will not be able to meet high data throughput requirements in line with the aforementioned definition for "broadband"?</p> <p><u>Proposal</u></p> <p>The Authority should provide a clear definition of broadband which is typically applicable to mobile networks.</p>	<p>The authority has specified the Mobile broadband QoS (which includes throughput) which can be attained using any applicable technology. If a technology has a limitation then it not applicable. For more detail of the mobile broadband QoS refer to the Electronic and Postal Communication (Quality of Service) Regulations 2018.</p>
28		<p>Noting Question/Context number 26 & 27, can the Authority please explicitly clarify whether licensees will be allowed to utilize 2G Radio Access technologies to meet the broadband coverage obligations targets?</p>	<p>Provided that the QoS criteria are met any technology would be acceptable. Refer to the response on question 27</p>

29	3.2.2 Quality of Service Obligations	<p>It is noted that the Coverage Obligations requirement is to meet national Quality of Service regulations under EPOCA3. However, given the nature of the rural demographics in Tanzania, operators may need to deploy low cost solutions which may be able to provide mobile broadband coverage services but may not be able to fully meet the same Quality of Service KPIs as traditional solutions. The benefit of this approach is the achievement of greater mobile broadband coverage throughout the country.</p> <p><u>Proposal</u> The Authority should enter into further separate industry consultation to review the existing Quality of Service Regulations with the objective of devising rural area specific KPI's.</p>	Quality of Service obligations are based on the Electronic and Postal Communications (QoS) Regulations 2018 which were subjected to consultation with the industry.
30		Would the Authority consider reviewing the existing Quality of Service regulations to devise a relaxed set of Quality of Service KPI's for rural areas in Tanzania	Refer to the response to questions 27-29 above.
31	4.3 and 4.4 Spectrum Trading and Spectrum Sharing	Do the Government and Authority have firm plans/dates as to when	As the same has been just reviewed, there is no firm plans/dates but will be communicated when that is known.
32	5.3.1 Affiliate entities	Can the Authority please clarify what types of circumstances are envisaged where it may grant an affiliate an exemption that will allow such affiliate to participate separately in the auction?	Refer to section 5.3.9 of the IM document.