



## **RESULTS OF THE 700 MHz SPECTRUM AUCTION**

Pursuant to the provisions of the Tanzania Communications Regulatory Authority Act Chapter 172 and the Electronic and Postal Communications Act, (EPOCA) Chapter 306 of the laws of the United Republic of Tanzania, which entrusts the Tanzania Communication Regulatory Authority (TCRA) with powers to allocate, assign, issue, distribute, retrieve, suspend, cancel or otherwise modify distribution among users or licensees of any radio communication frequencies or frequencies channels, the Authority has conducted and completed spectrum assignment of the 700 MHz band through an auction.

Following the auction which was carried out on 8<sup>th</sup> June 2018, TCRA hereby announces the successful conclusion of the auction of 2 x 20 MHz of spectrum in the 700 MHz frequency range. Among other things, the 700 MHz spectrum auction was designed to achieve the National Information Communications and Technology Policy (National ICT Policy), 2016 objectives which are:

- i. promotion of an efficient use of spectrum (where efficiency implies assigning spectrum to those that will generate the greatest socio-economic benefit from its use);
- ii. promotion of competition, i.e. an outcome which supports or does not undermine effective competition;
- iii. promotion of benefits for consumers, though the sustainable provision of widespread, high quality services; and
- iv. promotion of investment and innovation.

In furtherance to the National ICT Policy, it is the intention of TCRA that the spectrum auction of the 700 MHz band will, among other things, bring the following benefits to the nation:-

- a. Advancement of the country's mobile broadband infrastructure and capability which will serve as a catalyst for the nation's economic development;
- b. Facilitation of social economic benefits as mobile broadband will be key for promoting efficient provision of services such as education, health, agriculture, commerce, financial services through ICTs;
- c. Lowering mobile communications costs due to cost savings as a result of deploying fewer base stations for wider coverage and therefore potential lower consumer prices;
- d. Extending the provision of mobile broadband services to a wider Tanzanian population especially those in rural areas;

- e. Promotion, enhancement and facilitation of innovation for new ICT services and technologies to be deployed in the band; and
- f. Source of national revenue by obtaining optimal return for the spectrum band as a scarce resource.

All spectrum available were assigned, and the results of the Auction are as follows:

- a) **Vodacom Tanzania PLC** acquired 2 x 10 MHz for a total price of US\$ 10,005,000
- b) **Azam Telecom (T) Limited** acquired 2 x 10 MHz for a total price of US\$ 10,000,000

The total Auction proceeds is **US\$ 20,005,000.**

To ensure that consumer benefit fully from access to mobile broad band services TCRA has included the following coverage obligations in the license to be issued:

- (i) By end of year 2021, population coverage for broadband services meeting the specified quality of service level should be equal to 60%; and
- (ii) By end of year 2024, population coverage should be equal to 90%.

TCRA congratulates Vodacom Tanzania PLC and Azam Telecom (T) Limited for their participation and acquisition of the 700 MHz spectrum.

#### **ISSUED BY**

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