

27 September 2019

Gibraltar Regulatory Authority
Attn. Mr Joe Torres
Head of Spectrum & Operations
2nd Floor Eurotowers 4
1 Europort Road
Gibraltar

Dear Joe,

Public consultation C03/19 – Licensing of MFCN in Gibraltar, including 5G Mobile Communications Services

Enclosed please find Gibtelecom's response to the Authority's Licensing of Mobile/Fixed Communications Networks in Gibraltar, including 5G Mobile Communications Services, public consultation C03/19 of 27 August 2019.

Yours sincerely,



Dwayne Lara
Corporate & Regulatory Manager
Enc.

Gibtelecom response to GRA public consultation on Licensing of MFCN in Gibraltar, including 5G Mobile Communications Services

Public consultation C03/19

Introduction and general comments

1. Gibtelecom hereby presents its comments on the Authority's Public Consultation C03/19 on the Licensing of MFCN in Gibraltar, including 5G Mobile Communications Services.
2. As a general comment, Gibtelecom finds it difficult to provide more meaningful views or make substantial contributions to certain aspects of the public consultation without knowing what the charging (Part VI Fees) mechanism would look like. Many of the questions being asked, such as those related to the spectrum bands (Q1); imposition of made-to-measure license conditions (Q2); and service levels (Q6), require responses from stakeholders that are inextricably linked or heavily dependant on what the fees would be. Not having any visibility of the charging mechanism or indeed fees is particularly significant since the licenses are proposed to be technology agnostic. This would lead to a "re-set" of the existing pricing model for all mobile services.
3. Gibtelecom would also like to receive clarification on the definition of the "business plans" as mentioned across the consultation document, as well as the process that would be involved in the exchange of this, and related information, as well as the criteria that would be adopted to obtain its "approval".

Specific GRA questions

Q1. Do you agree with, or have any comments on the GRA's proposed amendments in respect of the 3 spectrum ranges?

Gibtelecom generally agrees with the Authority's classification of spectrum into low; mid; and high bands (0-1 GHz; 1-6 GHz and, 6 GHz and above, respectively).

However, it does so assuming that the table at the top of page 8 of the public consultation document is only setting out illustrative examples of the services that could make use of said frequency bands. In the Company's opinion, the bands should remain agnostic to services, thereby giving operators the flexibility to acquire and implement these as the market dictates.

Q2. Do you agree with, or have any comments on the proposed introduction of made-to-measure licence conditions?

Gibtelecom believes introducing made-to-measure license conditions would be a positive development and step forward with respect to spectrum assignment in Gibraltar. However, the Company feels that this would only work if the Authority ties the proposed license conditions regime in with a corresponding transparency mechanism. The Authority making available information on each operator's spectrum assignments; fees; conditions; and services for which the spectrum is being used would be of immense societal and reputational benefit to Gibraltar as a whole.

Furthermore, it would be Gibtelecom's preference for the Authority to recommend a re-alignment of the spectrum fees that would correspond with the new proposed bands, where the innate properties and availability of a particular band would have a direct bearing on the corresponding fees. For instance, a low-band allotment, where only 60 MHz is available for assignment, should be priced differently to a high-band allotment where 2000MHz is readily available for operator assignment.

Q3. Do you agree with, or have any comments on the GRA's proposed channel plan for the sub-band 3400-3600 MHz and conditions of use?

Gibtelecom agrees with the proposed channel plan for the lower portion of the C-band. However, it is very concerned with the Authority's proposal to introduce a 20MHz guard band for the upper part of the channel plan. The proposed 20MHz guard band seems unreasonable and unnecessary given the known narrow-band requirements of space-to-earth applications. The Company is aware that SES operates within a very specific and isolated frequency allotment. Having a 20Mhz guard band to protect this allotment therefore seems unwarranted. Additionally, perhaps the Authority having discussions with SES to better manage their existing allocations could be a way forward?

Gibtelecom does not therefore see why there is a need to classify mobile services as a "secondary service" on this upper part of the plan given that clear separation of channels avoiding any possible interference will exist.

Q4. Question 4: Do you agree with, or have any comments on the GRA's proposed plan for the sub-band 3600-3800 MHz?

Please see Gibtelecom's response to question 3 above. The Company believes **not** making the upper portion of the C-Band available for mobile services would be detrimental to the rollout of up-and-coming wireless technologies. Gibtelecom notes the Authority's rationale behind its proposal, but the Company feels compelled to alert it that this imposition could act as a severe restrictor to the realisation of 5G's full potential.

Currently, the available 5G technology is predominantly centred around the C-band. When this is coupled to the fact that the GSMA recommends a minimum of 80-100MHz of mid-band spectrum per operator to realise the full potential of 5G, we have to ask whether the Authority's assessment of the available spectrum identified in the 1-6 GHz band would meet industry expectations and requirements.

Gibtelecom would additionally like to make the Authority aware that 180 MHz of C-band spectrum would only be able to serve two operators. If any operator is awarded less than 80MHz of C-band spectrum for the purposes of 5G services, the Authority must assume that the overall 5G experience for those customers subscribing to that particular operator would be severely weakened.

Q5. Do you agree with, or have any comments on the GRA's proposal to consider making spectrum available for MFCN's in the bands above 6 GHz only after WRC 2019 has concluded and relevant documents are published?

Whilst the World Radiocommunication Conference (WRC) 2019 is scheduled for this coming November, the subsequent ratification process, documentation preparation and circulation may take substantial additional time. There are certain 5G applications that are predicated on having significant amounts of spectrum available within the high-band channels. The Authority must therefore be made aware of potential delays in the rollout of service-specific 5G applications.

As a means of mitigating protracted hold-ups, Gibtelecom would welcome the assignment of the 26GHz spectrum band for use by mobile services, on an "at risk" basis. This would align with the European Commission's Implementing Decision to harmonise the radio spectrum in the 24.25-27.5 GHz (or 26 GHz) band. By virtue of such decision, member states now have the ability to authorise the use of the same at national level.

Q6. Do you agree with, or have any comments on the GRA's proposal to include minimum service levels subject to the proposed usage of the spectrum?

Gibtelecom agrees with the Authority's proposal to include minimum service levels subject to the proposed usage of the spectrum. The Company nevertheless believes that the proposals for established and new operators aiming to rollout services to the general public are too ambitious.

Given the relative size of Gibraltar and the disadvantages that size brings to operators in terms of reduced buying power, it is highly improbable that suppliers and vendors will prioritise fabrication and shipment for Gibtelecom. Furthermore, a considerable amount of infrastructure will need to be replaced, both from a core and access perspective once the 5G authorisation is granted by the Authority. It is therefore Gibtelecom's opinion that launching a service within nine months of having been awarded a license is unrealistic. The Company would recommend extending the rollout period to eighteen months for established operators.

Gibtelecom is also of the belief that new operators have an inherent advantage over established operators given that a green field deployment does not require maintaining extant service levels whilst the new technology is rolled out. Rollout periods for established operators are, thus, prolonged as work is frequently constrained to the silent hours. Taking the rollout of 5G infrastructure and technology as an example: the 4G network will need to be physically upgraded in order to support 5G services. This will involve swapping out hardware, configuring and reoptimizing the 4G radio service prior to commencing on the 5G rollout. It is therefore the Company's stance that the timelines for new operators should be more stringent.

A further point that Gibtelecom would like to make is that it is unclear what the due process would be, or indeed how the Authority would keep track of, obligations that are linked to services that are not intended to be rolled-out to the general public and aimed at specific markets or services. For example, under the "Launch Date" proposed conditions under these instances, the Authority mentions that the operators "*..will be obliged to launch services as per the approved business plan timescales.*" How would the Authority ensure that this process is equitable and transparent?

End of submission