



Press Release

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Federal Network Agency launches registration for Broadband Wireless Access frequency auction

Kurth: “New opportunities for radio-based broadband markets”

From today, interested companies can apply to the Federal Network Agency to register for its auction of Broadband Wireless Access (BWA) frequencies. The frequency auction is due to begin in December 2006 at the Federal Network Agency office in Mainz. The President’s Chamber of the Federal Network Agency has decided on the procedure for the award of frequencies in the 3400-3600 MHz range in consultation with the Agency’s Advisory Council.

In future, this frequency range will be available for BWA applications. The use of these frequencies is primarily intended to facilitate the provision of radio-based broadband connections to the population. “We now have an opportunity to expand the broadband market with additional services and make it possible for regional and small and medium-sized firms to start operating in areas where the availability of fixed-line broadband connections – DSL in particular – is insufficient. The terms for the assignment of the frequencies have been drafted as flexibly as possible in order to accommodate future technological developments as well. At the moment, no one can predict with any degree of certainty how the balance between fixed-line connections and radio-based broadband connections will develop over the next few years. This is why we want to mobilise the creativity of the private sector in Germany and improve the range of options open to customers. The assignment of the frequencies will promote both innovation and effective competition, enabling consumers to have the widest possible choice of reasonably priced services. Against this background, alternative radio-based access technologies of the kind that are used in BWA, as well as in other fields, could significantly help to improve broadband penetration in Germany,” said Matthias Kurth, the President of the Federal Network Agency.



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At the beginning of the year, the Federal Network Agency wanted to assign the frequencies in an award procedure. On account of the great demand, which has far exceeded what can be accommodated within the available spectrum, the frequencies will now be awarded by auction. The frequencies will be auctioned for 28 regions instead of the 16 regions planned earlier in order to enable smaller companies to participate in the auction as well. The regions, which all have an approximate diameter of 100 km, cover the entire territory of the Federal Republic of Germany. Furthermore, a revision of the frequency parcels has increased the number of operators to whom licences can be awarded in each region from 3 to 4. The minimum offers for the frequency parcels in the individual regions are based on the formula laid down in the framework for frequency charges and vary between €100,000 and €1,800,000, depending on of the size of the area to be served and its population density.

Companies have until 8 November 2006 to apply to register for the auction. The Federal Network Agency is publishing the regulations governing the registration of companies for the auction and the terms of the auction today in its Official Gazette and on its Internet site (www.bundesnetzagentur.de).