

## Further spectrum re-farming on the way

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In October 2016 the Ministry of Transportation and Communications (MOTC) and the National Communications Commission (NCC) will finalise the spectrum re-farming proposal for review and approval by the Executive Yuan. The authorities are eyeing full deployment of 5G infrastructure and further mobile and wireless application. Closer consultation is underway with the incumbent mobile operators looking for harmonisation in the 2017 spectrum swap and transfer (for further details please see "[Re-farming 3G spectrum](#)").

The MOTC and NCC plan to allocate between 920 megahertz (MHz) and 928MHz as unlicensed bands dedicated to the Internet of Things, and are considering dedicating between 5,850MHz and 5,925MHz to telematics (eg, connected cars and the Internet of Vehicles). The MOTC has determined that the 800MHz band will be reserved for public protection and disaster relief (PPDR) following Resolution 646 of the World Radiocommunication Conference 2015. On the condition that PPDR always has priority, certain frequencies in the 800MHz band used by incumbent mobile operators (ie, 825MHz to 845MHz and 870MHz to 890MHz) will remain a mobile broadband service.

A total of 120MHz bandwidth in the 2,100MHz band currently used by 3G mobile operators will be retrieved by the end of 2018 and released by auction for mobile broadband service. The NCC and MOTC are discussing the proposed improvement to auction rules for the spectrum assignment in the hope that no dispute will occur among the awarded bidders regarding the swap of auctioned frequencies. FarEasTone and Taiwan Mobile (two of the top three mobile operators in Taiwan) have recently entered into a settlement for their disputed spectrum transfer (ie, 1,748.7MHz to 1,753.7MHz and 1,843.7MHz to 1,848.7MHz), which has been long due since the 4G auction on the 1,800MHz band closed in November 2014. It is expected that in the upcoming 2017 auction for 120MHz in the 2,100MHz band and 30MHz in the 1,800MHz band (a total of 150MHz) that the authorities will consider a two-phase approach:

- in the initial phase, bidders will compete for as many blocks as possible (eg, 20MHz each in the specified 2,100MHz band); and
- in the second phase, bidders will win out the initial phase by further engaging in bidding for specific assignments in accordance with the number of blocks that they have won.

The other good news for smooth migration from the 2G global system for mobile (GSM) service to the 4G long-term evolution service – particularly for senior subscribers to 2G GSM operators which are reluctant to embrace mobile data and smartphones – is that Asia Pacific Telecom intends to offer to accommodate the existing 2G subscribers of its competitors (Chunghua Telecom, Taiwan Mobile and FarEasTone), which is estimated at more than half a million users in its newly built 2G/3G/4G integrated network. Asia Pacific Telecom plans to set 5MHz in its 900MHz licensed band for 2G services, aiming for a significant expansion in its subscriber base.

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