

EU High-level Dialogue on Spectrum-related Issues

Convened at:

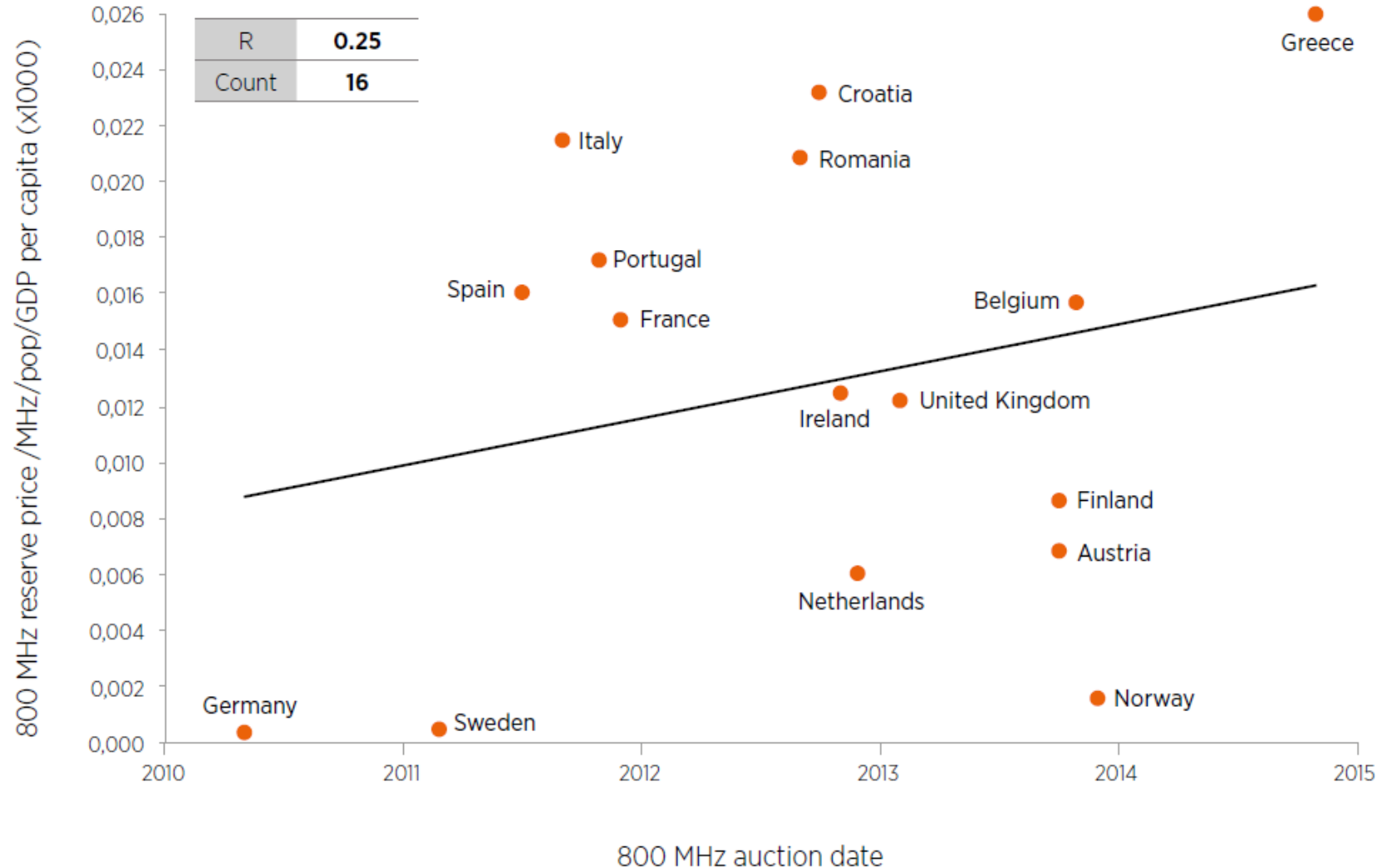
Charlemagne Building, Brussels

3 February, 2016

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GDP normalised reserve price of 800 MHz bands sold vs auction award date

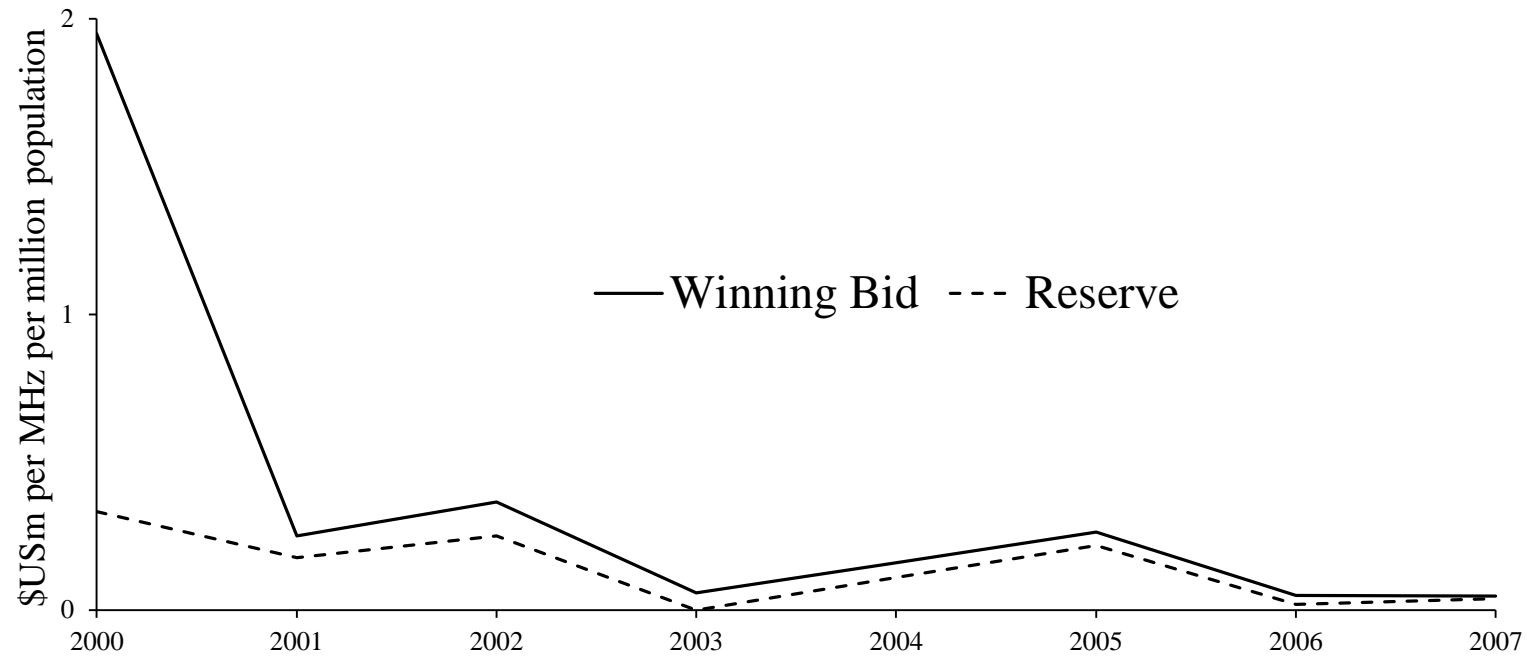


”Ratchet Effect”
in 4G
noted in:

”The socio-economic benefits of greater spectrum policy harmonisation in the EU”
Published by GSMA, 2015

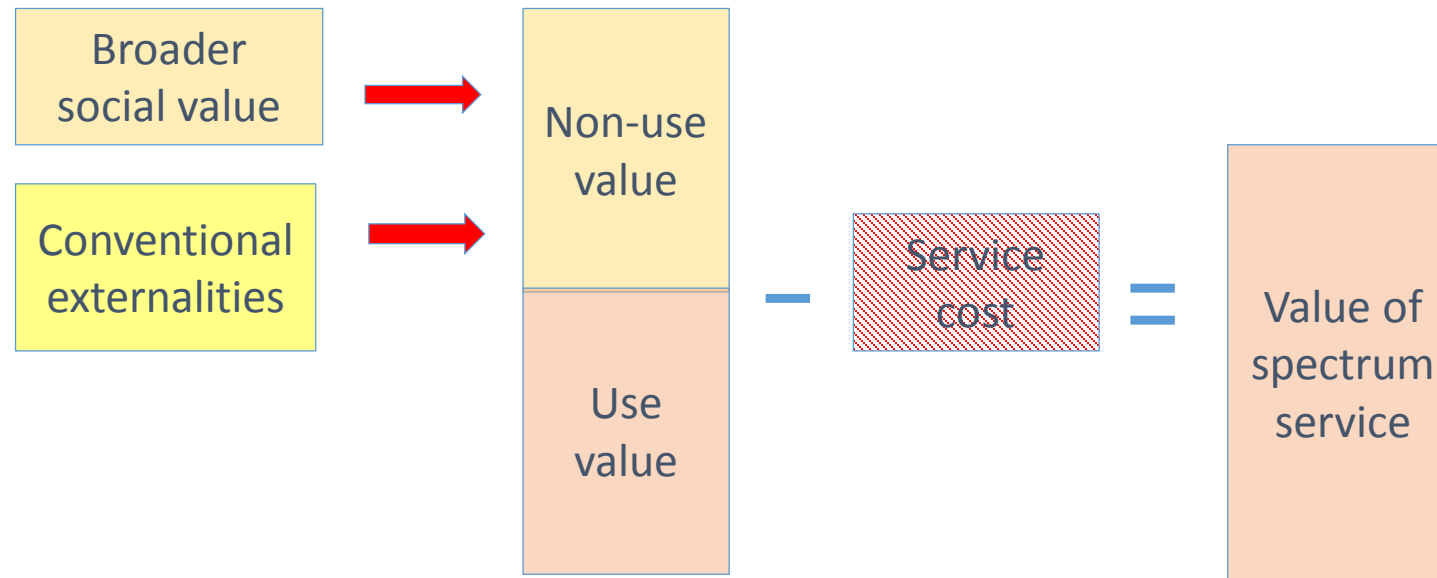
The Reserve Price Sets the Stage for Auction Price and Value of License But 3G Had a Reverse "Ratchet Effect"

Annual Mean 3G Auction Winning Bid and Reserve Mean Values



Declining trend for both reserve and winning bids, and narrowing margins

Value to society of spectrum service



Sources of social value include: access and inclusion, quality of life, public safety etc.

Implications

- The auction outcome and appropriate reserve price will vary due to evolving market expectations (compare 4G vs 3G)
- The higher social value of spectrum, the lower the reserve price, all else equal
- Addressing the social value of spectrum necessitates a political vision and will
- Social value of spectrum needs to be considered for all types of services, not only for broadcasting
- New forms of coordination and decision-making in spectrum is called for, considering the great social value of spectrum