

Notice

on the announcement of the tender procedure for spectrum licences related to broadband services



NATIONAL MEDIA AND
INFOCOMMUNICATIONS
AUTHORITY • HUNGARY

Budapest, 22 May 2014

The Office of the National Media and Infocommunications Authority (hereinafter referred to as the Contracting Authority), as an authority entrusted with public spectrum management, is announcing a tender (hereinafter: tender procedure) for the acquisition of spectrum licences related to broadband services.

1. The rules of NMHH Decree 4/2011 (X. 6.) on the rules of auction or tender for obtaining spectrum rights (hereinafter: Decree on the rules of auction or tender) shall govern the tender procedure.

The tender procedure is an administrative case and an administrative procedure within the NMHH's scope of authority.

The rules set out in Act C of 2003 on Electronic Communications and Act CXL of 2004 on the General Rules of Administrative Proceedings and Services shall apply to the tender procedure.

2. The detailed rules of the tender procedure are set forth in the tender notice documentation (hereinafter referred to as the Documentation) drawn up by the Contracting Authority.

The Documentation can be obtained in hardcopy form from the date of publication of the Notice until the expiry of the application deadline, following transfer of the Documentation fee to the Contracting Authority at the Contracting Authority [Office of the National Media and Infocommunications Authority (1015 Budapest, Ostrom u. 23-25.), between 9:00 am and 2:00 pm Monday through Thursday, and between 9:00 am and 12:00 pm on Fridays]. The Documentation fee shall be transferred to the Contracting Authority's account number 10032000-00300939-00000017 held at the Hungarian State Treasury, specifying "Tender Documentation fee in the Broadband tender".

The Documentation fee is HUF 25 000, that is twenty-five thousand forints, inclusive of VAT.

The Documentation can be downloaded from the Contracting Authority's website (<http://nmhh.hu>) in electronic form free of charge, but acquiring the Documentation in this form (downloading) does not grant eligibility for participating in the tender procedure as an applicant.

3. The tender procedure applies to the following frequency bands:

- 790-821/832-862 MHz (800 MHz frequency band);
- 880-885.1/925-930.1 MHz (900 MHz frequency band);
- 1725-1740/1820-1835MHz (1800 MHz frequency band);
- 2500 - 2690 MHz (2600 MHz frequency band);
- 24549–24605/25557–25613 MHz (26 GHz frequency band).

Total:

23 paired basic blocks of 5 MHz	23x2x5 MHz	(230 MHz)
5 paired basic blocks of 1 MHz	5x2x1 MHz	(10 MHz)
8 unpaired basic blocks of 5 MHz	8x5 MHz	(40 MHz)
2 paired basic blocks of 28 MHz	2x2x28 MHz	(112 MHz)

The terms of use of the frequency bands forming the subject of the procedure are defined by NMHH Decree 2/2013 (I. 7.) on the establishment of the rules relating to the usage of frequency bands (hereinafter: Decree on the establishment of the rules relating to the usage of frequency bands). The following spectrum licences can be obtained for the packages (hereinafter: Package) defined in tables 1-2 within the basic blocks regulated by the Decree on the establishment of the rules relating to the usage of frequency bands.

Table 1

Band	Quantity pending allocation (MHz)	Package „A”	Package „B”	Package „C”
800 MHz	6x2x5 (60)	2x2x5* (20*)	2x2x5* (20*)	2x2x5* (20*)
900 MHz	5x2x1 (10)	2x2x1* (4*)	2x2x1* (4*)	1x2x1* (2*)
2600 MHz	10x2x5 5x5 (125)	6x2x5* (60*)	4x2x5* (40*)	5x5* (25*)

* MHz

2. táblázat

Band	Elosztásra váró mennyiség (MHz)	Package „D”	Package „E”	Package „F”	Package „G”	Package „H”	Package „I”
1800 MHz	3x2x5 (30)	1x2x5* (10*)	1x2x5* (10*)	1x2x5* (10*)			
2600 MHz	4x2x5 3x5 (55)				4x2x5* (40*)	3x5* (15*)	
26 GHz	2x2x28 (112)						2x2x28* (112*)

A Csomagok meghatározása:

Package „A”

Band	Quantity	
800 MHz	2x2x5 MHz (20 MHz)	801-811/842-852 MHz
900 MHz	2x2x1 MHz (4 MHz)	882,1-884,1/927,1-929,1 MHz
2600 MHz	6x2x5 MHz (60 MHz)(paired)	2500-2530/2620-2650 MHz

Package „B”

Band	Quantity	
800 MHz	2x2x5 MHz (20 MHz)	811-821/852-862 MHz
900 MHz	2x2x1 MHz (4 MHz)	880,1-882,1/925,1-927,1 MHz
2600 MHz	4x2x5 MHz (40 MHz) (paired)	2550-2570/2670-2690 MHz

* MHz

Package „C”

Band	Quantity	
800 MHz	2x2x5 MHz (20 MHz)	791-801/832-842 MHz
900 MHz	1x2x1 MHz (2 MHz)	884,1-885,1/929,1-930,1 MHz
2600 MHz	5x5 MHz (unpaired) (25 MHz)	2575–2600 MHz

Package „D”

Band	Quantity	
1800 MHz	2x5 MHz (10 MHz)	

Package „E”

Band	Quantity	
1800 MHz	2x5 MHz (10 MHz)	

Package „F”

Band	Quantity	
1800 MHz	2x5 MHz (10 MHz)	

Basic blocks in the 1800 MHz band as defined in the Decree on the establishment of the rules relating to the usage of frequency bands:

Block no.	Quantity	
4.	2x5 MHz (10 MHz)	1725-1730/1820-1825 MHz
5.	2x5 MHz (10 MHz)	1730-1735/1825-1830 MHz
6.	2x5 MHz (10 MHz)	1735-1740/1830-1835 MHz

Package „G”

Band	Quantity	
2600 MHz	4x2x5 MHz (paired) (40 MHz)	2530-2550/2650-2670 MHz

Package „H”

Band	Quantity
2600 MHz	3x5 MHz (15 MHz) (unpaired) 2600–2615 MHz

Package „I”

Band	Quantity
26 GHz	2x2x28 MHz (112MHz) 24 549–24 605/25 557–25 613 MHz

The winning participant acquiring a spectrum licence may install and operate electronic communications networks — having met all other legislative conditions — allowing the provision of electronic communications services based on the frequency usage licences, in line with the stipulations defined therein.

The detailed description and the rules of usage of the frequencies forming the subject of the tender procedure are specified in this Documentation, in particular the requirements set out in Annexes 1A, 1B, 1C, 1D, 1E, 2 and 3 and in the legislation governing frequency usage [particularly NMHH Decree 15/2012 (XII. 29.) on the establishment of national frequency allocation (hereinafter: Decree establishing national frequency allocations) and the Decree on the establishment of the rules relating to the usage of frequency bands]. Restrictions on the acquisition of spectrum licences are defined in the Documentation.

The common expiry date of the spectrum licences for the frequencies available in the context of this tender procedure is 15 June 2029. In the event that the new licensee fulfils, in a timely fashion, its obligations set forth in the administrative contract stipulated in Section 4.4 herein, this expiry date shall be extended by an additional five (5) years, with terms and conditions unchanged and without payment of another licence fee.

4. Tender prices for individual Packages:

Package	Tender price (HUF)	
	in figures	in words
Package „A”	33 225 000 000	thirty three billion two hundred and twenty five million
Package „B”	31 725 000 000	thirty one billion seven hundred and twenty five million
Package „C”	27 200 000 000	twenty seven billion two hundred million
Package „D”	2 650 000 000	two billion six hundred and fifty million
Package „E”	2 650 000 000	two billion six hundred and fifty million
Package „F”	2 650 000 000	two billion six hundred and fifty million
Package „G”	3 000 000 000	three billion
Package „H”	850 000 000	eight hundred and fifty million
Package „I”	200 000 000	two hundred million

Prices do not include VAT; the tender price payable is not subject to Act CXXVII of 2007 on Value Added Tax.

5. Applicants to the tender procedure shall pay a participation fee of HUF 40,000,000, that is forty million forints + VAT to the Contracting Authority in the manner specified in the Documentation.
6. Applications can be submitted on 16 June 2014 between 9:00 am and 4:00 pm at the following address of the Contracting Authority, taking into account the substantive and formal requirements specified in the Documentation:

“Office of the National Media and Infocommunications Authority”

Address: 1015 Budapest, Ostrom utca 23-25.,
conference room II on the ground floor

7. Subjective conditions of participation are defined in the Decree on the rules of auction or tender and the Documentation. The formal and substantive eligibility requirements of bids are defined in the Decree on the rules of auction or tender and the Documentation.
8. During the assessment of the applications, the Contracting Authority establishes the order of the Bids by assigning a score to each individual Bid for each Package. In the course of the assessment the Contracting Authority examines compliance with the evaluation criteria set out in the Documentation and based on the criteria defined therein, it determines the relative ranking of the Bids for individual Packages on the basis of the scores awarded during the assessment.