TANZANIA COMMUNICATIONS REGULATORY AUTHORITY

TCRA RESPONSES TO COMMENTS ON THE DRAFT INFORMATION MEMORANDUM (IM)

21st May 2025

TCRA RESPONSES TO COMMENTS ON THE DRAFT INFORMATION MEMORANDUM (IM)

SN.	Reference Section in the IM	Responder's Comment	TCRA Response
1.	General comments	We express our greatest appreciation to the Authority for launching the auction of the frequency spectrum 3600 – 3800 MHz band at such a right time.	The appreciation is noted by the Authority.
		We share the TCRA's objectives of awarding the spectrum will further advance the country's connectivity, being a catalyst for economic development and facilitating growth and providing economic benefits in areas such as education, health, agriculture, commerce, financial service. Indeed, the award of spectrum will further support operators towards meeting the objectives of Government's Digital Economy Strategic Framework 2024-2034.	The acknowledgement on the objectives of awarding spectrum through auction is noted by the Authority.
2.	Section 1.3.5	Please clarify whether the 3600-3800 MHz spectrum has been cleared yet? If not, when will it be cleared?	Yes, the 3600-3800 MHz spectrum has been cleared.
		Is there any guarantee for the Successful Bidder of 3600-3800 MHz band to use the granted frequencies without interference?	Yes, since the 3600-3800 MHz spectrum has been cleared.

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		In case of interference, would TCRA issue any prevention policy or mechanism to protect the network continuity of the Licensees?	Yes, TCRA has mechanisms to monitor and mitigate interference in all assigned frequency bands.
3.	Section 1.4, 3.4.1 & 5.11	**Change of Payment schedule** We support that 40% of the purchase price should be paid within 14 days of the auction but propose that the remaining payments due be revised to three annual payments of 20% each, with the first being 12 months from the licence award date.	The payment schedule has been revised as follows: 1st Instalment 40% of Auction Price by 24/07/2025 2nd Instalment 15% of Auction Price by 08/01/2026 3rd Instalment 15% of Auction Price by 08/07/2026 4th Instalment 15% of Auction Price by 08/01/2027 5th Instalment 15% of Auction Price by 08/07/2027 Sections 1.4, 3.4.1 & 5.11 of the Information Memorandum (IM) have been revised accordingly.
4.	Section 2.1	Repackage the spectrum into 20 MHz blocks rather than 50 MHz to allow more operators to participate, tailored to their needs and capacities.	Packaging of spectrum into 20MHz blocks poses a risk of spectrum fragmentation which can lead to inefficient usage of spectrum band.

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<tr><td rowspan="2">5.</td><td rowspan="2">Section 2.2</td><td>It is recommended for TCRA to modify its proposed spectrum caps to safeguard effective competition, no bidder should hold over 180MHz of the spectrum band (3400-3800MHz).</td><td>The spectrum cap for the Primary Stage has been revised from two (2) blocks of 1 × 50 MHz within the 3600-3800 MHz to 140 MHz within the 3400-3800 MHz Band. For the Secondary Stage, the spectrum cap will not apply.

Section 2.2 of the IM has been revised accordingly.</td></tr>
<tr><td>We recommend a 100 MHz cap per operator across the full C-band (3400-3800 MHz).</td><td>The spectrum cap for the Primary Stage has been revised from two (2) blocks of 1 × 50 MHz within the 3600-3800 MHz to 140 MHz within the 3400-3800 MHz Band. For the Secondary Stage, the spectrum cap will not apply.

Section 2.2 of the IM has been revised accordingly.</td></tr>
<tr><td>6.</td><td>Section 2.3</td><td>The proposed reserve price is only slightly lower than the price paid in the TCRA's 2022 auction. TCRA should reduce further the reserve price.</td><td>Determination of the reserve price has taken into consideration the global trends, the Tanzania market situation, the spectrum value as a scarce resource, and other economic factors.</td></tr>
<tr><td>7.</td><td>Section 3.2.1.1</td><td>In terms of "administrative regions" and "regional headquarters" under the Annex A of the Draft Information Memorandum (IM), it is suggested that TCRA provides specific references to laws or regulations or any official documents that define these terms or any other sources published by PO-RALG/TAMISEMI for Applicants' understanding and compliance.</td><td>The definition of administrative regions has been revised in the IM as follows;

“Administrative regions” are defined as per President's Office - Regional Administration and Local Government (PO-RALG) in Mainland and Zanzibar.

Tanzania is currently divided into 31 administrative regions. These regions include:
<table><tr><td>Arusha</td><td>Mara</td><td>Ruvuma</td></tr><tr><td>Dar es Salaam</td><td>Mbeya</td><td>Shinyanga</td></tr></table></td></tr>
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<tr><td>Dodoma</td><td>Mjini Magharibi</td><td>Simiyu</td></tr>
<tr><td>Geita</td><td>Morogoro</td><td>Singida</td></tr>
<tr><td>Iringa</td><td>Mtwara</td><td>Songwe</td></tr>
<tr><td>Kagera</td><td>Mwanza</td><td>Tabora</td></tr>
<tr><td>Katavi</td><td>Njombe</td><td>Tanga</td></tr>
<tr><td>Kigoma</td><td>Pemba Kaskazini</td><td>Unguja Kaskazini</td></tr>
<tr><td>Kilimanjaro</td><td>Pemba Kusini</td><td>Unguja Kusini</td></tr>
<tr><td>Lindi</td><td>Pwani</td><td></td></tr>
<tr><td>Manyara</td><td>Rukwa</td><td></td></tr>
</table>

Annex A "glossary" of the IM has been revised accordingly.</td></tr>
<tr><td>8.</td><td>Section 3.5.3</td><td>Annual administrative spectrum fee should be applicable throughout the duration of the licence.</td><td>Annual administrative fee may be reviewed periodically to reflect spectrum management costs of the Authority subject to consultation with stakeholders.</td></tr>
<tr><td rowspan="2">9.</td><td rowspan="2">Section 3.6</td><td>Licence term & renewal

Longer license terms grant operators better investment certainty, we propose that the licence term be revised from 15 to 25 years aligning with the tenure of our operating licence (network facilities licence).</td><td>The Authority considers 15 years as reasonable licence period, especially with the provision of presumption of renewal in favour of the incumbent licence holder as described in Section 3.6.2 of the IM.</td></tr>
<tr><td>The licence upon expiry may be renewed for a term of how many years? The methods and process of renewal?</td><td>On expiry, the licence may be renewed in favour of the licensee subject to efficiency, market competition, technological development, and the licensee's compliance to the licence conditions.</td></tr>
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		In order for and upon the renewal, besides the Annual Administrative Spectrum Fee, is the licensee required to pay any other prices/fees? Specifically, is it required to pay an amount equivalent to the Auction Price as a condition for renewal?	Upon the renewal, TCRA will determine the Annual Administrative Spectrum Fee and other prices/fees subject to technological advancement and changes in market conditions. The review of the fees will be through consultation with stakeholders.
10.	Section 5.5 & 6.1.2	The proposed first-price, single round, sealed-bid format will hinder rather than help the efficient spectrum assignment and effective competition, undermining the TCRA's objectives. TCRA should opt for Simultaneous Multi-Round Ascending (SMRA) auction format, second-price rule.	The first-price sealed bid auction is an appropriate auction format. It has been chosen to allow bidders to know the exact price they will have to pay if they win the auction, thereby eliminating price uncertainty when bidding.
11.	Section 6.2.5(v)	**Tied Bids** A mechanism based on alphabetical order is simply unfair as it clearly disadvantages bidders based on their elected names – bidder names with later alphabets disadvantaged over those with earlier ones.	Requirement to submit the bid price in two decimal places is intended to minimize the possibility of having a tie. In addition to that, the bid price has a minimum of eleven digits hence reducing the likelihood of a tie. The proposed alphabetical ranking serves as an alternative if the two decimal places fails.
12.	Section 6.6	It is not clear on how the TCRA would decide which of the successful bidders is awarded first right to select the exact frequencies that will be assigned to it. We	Assignment stage shall be administered by TCRA while ensuring as much as practically possible, that successful bidders obtain contiguous blocks as indicated in Sections 6.6.3 and 6.6.4 of the IM.

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		propose that first right be granted to the highest winning bid followed by the other successful bidders in order of highest to lowest.	
13.	Section 6.6.4	Post-auction spectrum realignment across the full 3400-3800 MHz band	TCRA shall assign successful bidders in the 3600-3800 MHz band only, while ensuring as much as practically possible, that successful bidders obtain contiguous blocks as indicated in Sections 6.6.3 and 6.6.4 of the IM.

Contact Us

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