

# **FURTHER INFORMATION ON THE OPERATING LICENCE AND APPLICATION PROCEDURE FOR A DIGITAL MOBILE COMMUNICATIONS NETWORK IN THE FREQUENCY BAND OF 450 MHz**

*Unofficial translation*

## **Frequency band open for operating licence applications**

When the NMT 450 network was closed at the end of 2002, 2 x 4,5 MHz frequencies were released from their frequency bands (453,000 – 457,475 MHz/463,000 – 467,475 MHz).

From the band released from the NMT 450 network, frequencies of 2 x 3,0 MHz, at the least, and 2 x 3,2 MHz, at the most, will be reserved for the new network. The frequencies needed for the new network shall be presented in the licence application, in consultation with the Finnish Communications Regulatory Authority if necessary.

In border areas, the use of frequencies may be restricted in order to protect the usage in the neighbouring countries.

There are not yet any provisions on frequency bands in Government decrees on the usage plans of the frequency bands allocated for the purposes of television and radio broadcasting and licensed telecommunications operations (1158/2002 and 1159/2002). Necessary amendments to the decrees will be drafted when granting the licence.

## **Technology used in the network**

The technology to be used in the new network has not been determined in advance. The licence can be granted to a digital mobile communications network that uses a technology defined by the operator, such as CDMA 450 or Flash OFDM. The application must include a sufficiently precise description of the technology to be used in constructing the network as well as necessary information about interconnection traffic.

## **Licence coverage and period of validity**

The operating licence is national and it will be issued for a maximum period of 20 years.

## **Aim of the licence**

The operating licence aims to promote broadband services in accordance with the Government broadband strategy.

The aims of the Government broadband strategy include to promote competition in and between all communication networks, advance service and content provision and continue to take special measures in areas with insufficient demand for commercial broadband supply.

The aims are that by the end of 2005, all technologies included, there are 1,000,000 broadband subscriptions in Finland, of which the most widespread has a connection speed of at least 2 Mbit/s, and that high-speed telecommunications connections with regional coverage and reasonable end-

user prices are available to every Finn. A further aim is that by the end of 2007, broadband covers more than 90 per cent of Internet connections in Finland and the connection speed of the most widespread broadband service is at least 8 Mbit/s.

The aim of the licence is to promote the supply of high-speed data connections particularly in sparsely populated areas, remote areas, archipelago, areas with recreational housing and other similar areas that are not yet covered by fixed network broadband services. A further objective is to promote data transfer services, which are not geographically bound, of portable computers.

### **Granting a licence**

By virtue of section 8 of the Communications Market Act, the licence is granted by the Government if the requirements of section 9 are met.

In accordance with section 9 of the Communications Market Act, a licence will be granted if the applicant has sufficient economic resources to meet the network operator obligations; and the licensing authority has no justifiable reason to suspect that the applicant will violate the provisions of the Communications Market Act or any other act on telecommunications. If a licence is to be issued to Åland, an agreement by the Government of Åland is required.

If there are several applicants, the licence will be granted to the one, whose operation best promotes the purposes laid down in the Government broadband strategy and section 1 of the Communications Market Act.

The objectives of the Communications Market Act are to promote the provision and use of services within communications networks and to ensure that communications networks and services are available under reasonable conditions to all telecommunications operators and users throughout the country. A further objective of the Act is to ensure that the opportunities available for telecommunications in Finland accord with the reasonable needs of users and that they are competitive, technologically advanced, of high quality, reliable and safe, and inexpensive.

### **Compulsory information in the operating licence application**

The operating licence application shall give the information referred to in section 1 of the Ministry of Transport and Communications decree on the contents of operating licence applications and telecommunications notifications.

In accordance with that decree an application must give the following information and explanations:

- 1) applicant's contact information;
- 2) extract from the Business Information System or a corresponding account of the applicant;
- 3) applicant's ownership relations;
- 4) description of network services;
- 5) operating area;
- 6) a description or plan of the communications network;
- 7) an estimate of the required investments and their financing;
- 8) an estimate of the first five-year period in business; and
- 9) other information necessary in assessing the requirements for an operating licence.

The official languages of the operating licence application are Finnish and Swedish. Information for items 4 and 6 as well as documents regarding technical descriptions of the network may be presented in English.

*Applicant's contact information* must include one processing address to which any requests for further information, notifications or other documents may be sent. The contact information must also include an email address.

The account of the *applicant's ownership relations* must give the information on operators and people owning the applicant as well as on operators the applicant owns that are necessary for the consideration of the application.

*The description of network services* must include sufficiently detailed information. It must also give the planned capacity (maximum number of users) of the network services to be provided as well as the annual transfer speeds and capacities of the provided data connections in the time period of 2005 to 2010.

*The description or plan on the communications network* must include a sufficiently precise plan on the network's coverage area from 2005 to 2010 as well as the following technical information on the radio system:

- 1) radio technology to be used;
- 2) band width/carrier wave;
- 3) an estimate of the required guard band between the carrier waves and between the carrier wave and the systems in the adjacent frequencies; and
- 4) typical transmission power, typical antenna systems of the base station and an estimate of the coverage area of one base station.

*The estimate of the required investments and their financing and of the first five-year period in business* must cover the time period from 2005 till the end of 2010.

In addition, the application must include the following information and explanations:

- 1) applicant's last financial statement;
- 2) a pricing estimate for various network services such as fixed connections and geographically unbound connections;
- 3) an estimate of the available average data transfer speed per a terminal equipment, if one cell with one carrier wave in a distance of less than 3 km has 30 terminal equipment;
- 4) an estimate of the available connection distance with both an internal and external antenna of the terminal equipment under normal base station arrangements;
- 5) an explanation of how the applicant's network would promote the aims of the Government broadband strategy presented above;
- 6) an explanation of how telecom operators independent from the applicant could utilise the network taking into consideration the applicant's possible own service provision; and
- 7) a summary of the contents of the application.

### **Publicity of the application**

The applications and their appendices are for the most part public documents. Information that the applicant considers to be a business secret or confidential due to some other reason must be clearly marked and sent as a separate document.

## **Submitting the application electronically**

The application, including the appendices, is requested to be sent to the Ministry in the form stated in the application *as well as* electronically. The documents may be sent as email attachments to Mr Riku Ahola (email: [firstname.lastname@mintc.fi](mailto:firstname.lastname@mintc.fi)). Recommended file formats are Word and RTF).

## **Contact persons**

The responsible people at the Ministry of Transport and Communications are Mr Antti Kohtala, Director of Unit for Networks and Competition, tel. +358 9 160 28392 (primarily responsible for the licence procedure), Ms Pia Hammar, Secretary, tel. +358 9 160 28397 (document management) and Mr Riku Ahola, Ministerial Adviser (legal affairs). Email addresses at the Ministry are in the form of [firstname.lastname@mintc.fi](mailto:firstname.lastname@mintc.fi)

The responsible persons at the Finnish Communications Regulatory Authority are Mr Pasi Toivonen, tel. +358 9 6966 853 and Mr Jan Engelberg, tel. +358 9 6966 478 (radio frequencies and other technical matters). Email addresses there are in the form of [firstname.lastname@ficora.fi](mailto:firstname.lastname@ficora.fi)

## **Application fee**

By virtue of section 7 of the Telecommunications Market Act an operating licence applicant is obliged to pay the State an application fee of 1,000 euros.

An invoice will be sent to the applicant after the application has been received at the Ministry.