

Press Release

OFTA Seeks Views on the Licensing Framework for Deployment of Broadband Wireless Access

The Office of the Telecommunications Authority (OFTA) today (20 December 2004) launched a public consultation to invite views on the licensing framework for deployment of broadband wireless access (BWA). BWA refers to access technologies based on the use of high-capacity radio links to deliver telecommunications services, including broadband services.

"The recent development of BWA for fixed telecommunications services has attracted substantial interest worldwide. There are technical trials and commercial deployments of such technologies in the Mainland of China, the United States, the United Kingdom and some other countries. In Hong Kong, some telecommunications operators and equipment suppliers have expressed an interest in the deployment of such technologies locally and have conducted technical trials," the OFTA spokesman explained.

Typically, BWA is deployed to serve a wide area. It may be used as wireless backhaul for fixed or mobile networks, backhaul for connecting hot spots of Wi-Fi wireless local area network, or wireless local loop for broadband customers.

The advancement in wireless technologies and growing demand for both residential and corporate broadband access services have given rise to a potential market for BWA deployment in Hong Kong. BWA provides a possible alternative to the conventional wireline technologies that a fixed network operator may consider adopting for speedy rollout of a broadband network.

"The deployment of BWA may spur further increase in the broadband penetration in Hong Kong, which would in turn promote the development of IP based telephony and advanced multimedia services," the spokesperson said.

"BWA links may be deployed to serve buildings which would otherwise be uneconomical to serve due to limited number of users or require disruptive road digging for laying the underground cables. Fixed network operators can roll out their last mile through BWA. In particular, this type of access technologies will enable consumers who hitherto rely on Type II interconnection to provide a choice of service providers to continue to enjoy such choice when Type II interconnection is fully withdrawn by 2008," the spokesperson added.

There are different industry standards for BWA, such as UMTS TDD, ETSI HiperMAN or IEEE 802.16 as advocated by the WiMAX Forum. Consistent with the technology neutrality principle, the Telecommunications Authority (TA) does not intend to mandate the technology to be used in the delivery of BWA services in Hong Kong.

In this consultation, the TA invites views on whether BWA should be licensed in Hong Kong and if so, the appropriate timing for inviting applications for such licences. The TA is of the preliminary view that the 3.4 – 3.6 GHz frequency band may be allocated as a licensed band for offering BWA services, and the BWA in Hong Kong may initially be offered as a wireless extension of the conventional wireline based fixed network service. Under this proposal, the licensing of BWA services would therefore fall within the fixed carrier licensing regime. The TA is of the preliminary view that auction should be adopted for assigning the spectrum.

"The BWA licensing framework may influence how fixed network operators roll out their access networks to provide telecommunications services in Hong Kong. We raise a range of key topics for discussion, including frequency plan, standard, licensing and spectrum allocation issues. We hope that the consultation will encourage the industry and the public to review the potential of BWA service in Hong Kong and discuss the subject. Views collected will be studied thoroughly before the TA determines the appropriate BWA licensing framework," the spokesperson concluded.

The consultation paper can be downloaded from OFTA's web site: www.ofta.gov.hk. Any views or comments on this consultation should reach OFTA on or before 21 February 2005. Electronic submission to BWA@ofta.gov.hk is welcome.

Office of the Telecommunications Authority
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