



Figure 20: Population densities in South Africa

## 9.4 Considerations for assignment

### 9.4.1 To link or not to link frequency bands

The Authority has been considering linking low frequencies with high frequencies (for example the 800 MHz band with the 2.6 GHz band). The argument is that this will allow the 2.6 GHz band to be used to provide capacity for ‘hotspots’ where more capacity is required.

The issue to be considered is what the potential outcomes are if lower frequencies are not linked to higher frequencies:

- A licensee who only has assignments in the lower frequencies may find that the frequencies become congested and capacity cannot be increased in the urban areas which the operator is relying on to make a profit to offset investments; and
- A licensee who only has an assignment in higher bands (such as 2600 MHz or higher) and is not compelled to provide universal service due to the propagation challenges of the band, can simply focus on the urban ‘hotspots’ (large and small) which generate revenue and by doing so potentially undermine the financial viability of the universal service provider.

These cases are somewhat hypothetical, but do illustrate the issues that need to be considered in effective assignment.