

Document POLDOC	Section Broadcasting	Number 001	Issue 1
File Reference: RSM 1/4/1		Date of Issue: 29 May 1996	



RADIO SPECTRUM POLICY

LOW VALUE BROADCASTING LICENCES

1. Policy.

Licences will be allocated directly where:

- (a) There is no unsatisfied demand arising from the most recent tender of frequencies that serve the area; and the population coverage under the new licence is less than 1000 persons; and none of the frequencies for the same type of service serving the area have resulted in a tender price greater than \$1000;

OR

- (b) No frequencies that serve the area have ever been tendered and the population coverage under the new licence is less than 1000 persons;

OR

- (c) The thresholds in (a) and (b) are slightly exceeded but there are, in the view of the Ministry, no other parties likely to be either interested in the frequency or adversely affected by the direct allocation. Where there is any doubt the frequency will be tendered.

2. Specific Criteria.

Where licences are deemed to be of low value in accordance with the above criteria and issued without tendering, there will be a fixed fee of \$500 plus GST in addition to the engineering costs of making the licence available.

3. General.

Where appropriate, within the technical constraints imposed by existing licences, any new licence will be optimised to achieve, especially in regard to transmitter power and location, the greatest population coverage (although some allowance would be made for specific “pocket” coverage situations).

New licences shall be independent of other licences in terms of technical interaction.

4. Background.

Market allocation is the preferred allocative method because it provides the most equitable, consistent, and transparent means of allocating new licences. However, where there is low competing demand, direct allocation is the most cost effective method and is therefore preferred. This policy provides greater flexibility in assessing low value licences so that new licences with population coverages near the threshold margin can be accommodated accordingly.

Approved By:

**Manager
Radio Spectrum Policy**