



## COVERSHEET

<b>Minister</b>	Hon Paul Goldsmith	<b>Portfolio</b>	Media and Communications
<b>Title of Cabinet paper</b>	Approach to expiring or unused rights for national mobile services	<b>Date to be published</b>	30 June 2026

### List of documents that have been proactively released

<b>Date</b>	<b>Title</b>	<b>Author</b>
June 2026	Approach to expiring or unused rights for national mobile services	Office of the Minister for Media and Communications
8 June 2026	Approach to expiring or unused rights for national mobile services CBC-26-MIN-0028 Minute	Cabinet Office
March 2026	2300 MHz and 2600 MHz management right review: Targeted Consultation on approaches to allocations	MBIE

### Information redacted

YES / NO (please select)

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for the reason of Confidential advice to Government.

# 2300 MHz and 2600 MHz Management Rights review

## Targeted consultation on approaches to allocations

RSM undertook a review of expiring Management Rights in the 2300 MHz and 2600 MHz bands and completed public consultation on approaches to future allocations in January 2026. Following submissions analysis, we are undertaking targeted consultation with submitters that commented on this issue and who are likely to seek management rights. The focus of this targeted consultation is on alternative approaches to these two allocations.

Please provide written feedback on the questions outlined in this paper **by 5pm on 20 April 2026**. Responses should be emailed to [Radio.Spectrum@mbie.govt.nz](mailto:Radio.Spectrum@mbie.govt.nz).

### The purpose of the consultation is to:

- Provide transparency on the options under consideration
- Identify industry's preferred approach
- Seek feedback on the likely commercial impact

### Summary of consultation feedback

Consultation feedback highlighted a clear trade-off between the short-term benefits of investment certainty and service continuity provided by spectrum renewals and longer-term advantages of reallocating rights through auction which could foster greater competition and enable efficient use.

Most submitters supported allocating 2300 MHz and 2600 MHz together, though they noted each band's unique merits and technical differences could affect MNO demand for 2300 MHz. Meanwhile, other spectrum users have sought access to the 2300 MHz band which could provide public benefits.

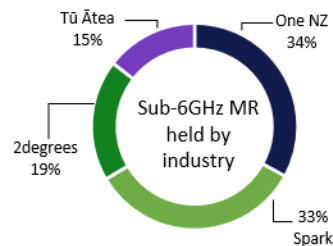
### Alternative allocation approaches to offer some spectrum directly to MNOs under consideration

The public consultation sought feedback on three approaches to future allocations of commercial management rights – full renewal, partial renewal and no renewal (i.e. full reallocation by auction).

Our initial preference was to auction all commercial management rights in the 2300 MHz and 2600 MHz bands at the same time. We considered this would best ensure the policy objectives – particularly the promotion of competition and enabling more efficient use through a market-led allocation mechanism.

*Allocation mechanism for 2600 MHz*

We remain of the view that at least some of the spectrum should be reallocated on a first-principles basis given the industry has changed significantly since these rights were last allocated. This is consistent with previous allocations, namely the partial renewal of 1800 MHz and 2100 MHz in 2019. Furthermore, an opportunity to redistribute spectrum can address disparities that could harm competition amid rising data demand and economic constraints, especially given that the next mid-band spectrum bands do not expire until 2041.



However, based on the feedback we have received, we are assessing alternative allocation approaches that would offer some spectrum directly to MNOs and auction any remaining spectrum. We consider that this could mitigate some of the investment uncertainty faced by incumbents whilst retaining the opportunity to redistribute spectrum to enable long-term competitive conditions.

Four alternative options under consideration for allocation of 140 MHz in the 2600 MHz band are:

- **Partial renewal:** Incumbents offered 80% of current holding at 20% premium on reserve price. Multi-round auction for any remaining spectrum to all MNOs (at least 30MHz). This approach provides maximum certainty to incumbents but may not necessarily result in a redistribution of spectrum to a third-party. To the contrary, without spectrum caps, it could create greater disparities in spectrum holdings that could cause competitive harm in the future.
- **Equal direct offer:** Offer 30 MHz to each MNO at a 20% premium on reserve price. Multi-round auction for any remaining spectrum to all MNOs (at least 50 MHz). This approach provides all MNOs with an opportunity access some spectrum outside of an auction process but sets aside the largest portion for competitive market-based allocation.
- **Unequal direct offer:** Incumbents offered 70% of current holdings and existing MNOs that do not currently hold spectrum in the band offered 20 MHz, at a 20% premium on reserve price. Multi-round auction for remaining spectrum to all MNOs (≥ 20 MHz). This approach provides maximum certainty for all MNOs by allocating most of the spectrum directly, outside of an auction process.
- **Combined approach:** Incumbents offered 50% of current holdings at a 20% premium on reserve price and 20 MHz offered to each MNO at reserve price. Multi-round auction for any remaining spectrum to all MNOs (at least 10 MHz). This approach also provides certainty for all MNOs by allocating most of the spectrum directly, outside of an auction process.

At this stage, based on the public consultation feedback, we expect that the management rights in 2600 MHz will be sought by the three MNOs currently operating in New Zealand. On that basis, the theoretical spectrum distribution of each option is set out in the table below. However, if additional interest arises ahead of allocation, offers may be adjusted in line with the principles described above.

	Current	Partial renewal	Equal direct offer	Unequal direct offer	Combined approach
One NZ	105 MHz	80 - 110 MHz	30 - 80 MHz	70 - 90 MHz	70 - 80 MHz
Spark	40 MHz	30 - 60 MHz	30 - 80 MHz	30 - 50 MHz	40 - 50 MHz
2 degrees	0 MHz	0 - 30 MHz	30 - 80 MHz	20 - 40 MHz	20 - 30 MHz

### *Sequencing of allocations of 2300 MHz and 2600 MHz*

We are considering decoupling the allocation processes to allow 2600 MHz to be allocated first and defer decisions on the 2300 MHz band to enable both Government and industry to ascertain demand and optimal use for this band. In this context, we envisage decisions on 2300 MHz could be made in 2028 and rights allocated in 2029 (one year before the expiry of the current rights).

### **We are seeking your feedback on approaches to alternative allocation approaches**

1. Rank your preferred approach for the allocation of 2600 MHz and explain your reasoning for the ranking.
  - i. What is the likely impact on your business of acquiring 10-20 MHz less than your desired spectrum holdings? This could include impact on service offerings, network investment, etc.
  - ii. How much spectrum should be offered directly versus set aside for auction?
2. If you intend to seek access to 2300 MHz, are you supportive of deferring decisions on 2300 MHz allocations until 2028?
3. What are the commercial impacts (benefits or risks) of decoupling these allocations?

If you have not already provided this information in your submission to the public consultation:

1. Do you intend to seek access to 2300 MHz spectrum? If so, what is your intended use of this band and what is the minimum spectrum access required? Please provide clear examples, if possible.

**Note:** Further detail on reserve price, minimum use conditions, spectrum caps and eligibility requirements will be developed and consulted on ahead of allocation. If your feedback on allocation mechanisms is contingent on these matters, you are encouraged to flag this in your submission.

Please email your written feedback to [Radio.Spectrum@mbie.govt.nz](mailto:Radio.Spectrum@mbie.govt.nz) by 5pm on 20 April 2026.