

**STATEMENT OF
COMMISSIONER BRENDAN CARR**

Re: *Incentive Auction of Upper Microwave Flexible-Use Service Licenses in the Upper 37 GHz, 39 GHz, and 47 GHz for Next-Generation Wireless Services*, AU Docket No. 19-59.

The Public Notice before us may seem ordinary. We propose to auction 100 MHz blocks of flexible use spectrum by PEA. We use the familiar clock auction format followed by an assignment round. And we provide bidding credits for small businesses and rural service providers.

But when you step back, the process we've put in place in the U.S. for allocating and auctioning spectrum is actually pretty remarkable. It's one we arrived at after years of experimenting with other approaches. And it's one that works because of the talented teams of people at the FCC. These seemingly ordinary procedures are really a model for the world.

I was reminded of this a few weeks ago, when I was in Kenya to speak at a training for East African telecom regulators. The training was hosted by the Communications Authority of Kenya or CA, and its chairman, Ben Gituku.¹

Kenyans have been a region-wide leader in telecom regulation. I had the chance to see the progress they're making. They're standing up a universal service fund this year. This can help bring better connectivity to schools throughout the country, like the one I was able to visit in Nairobi's Dagoretti district.² Kids there are using tablets for online lessons. They have no lack of enthusiasm or energy.

The CA has granted experimental licenses for Internet service on TV white spaces. In a market town a few hours outside of Nairobi, I met Paul³ who is now using a white space device to expand his business, take mobile payments, and even sell airtime.

And Kenya is incorporating more market-based principles in their spectrum licensing. They also have been a key partner for the U.S. in much of the important advocacy we are doing ahead of the next World Radio Conference.

The regulators who the Kenyans invited to the training have not had the benefit of long-established agencies like the Kenya CA or the FCC here. To give just one example, until two years ago, the Somali government did not have sufficient stability to regulate wireless providers at all. Wireless service existed—it just didn't exist in the context of law. So issues like zoning, permitting, and spectrum interference, to the extent they were handled, were handled by the providers amongst themselves, without rules.

As the Somalis stand up a telecom regulator from scratch, they're confronted with first-order questions: What spectrum should be licensed and unlicensed? Who should get access to spectrum? And how do you police violations of the rules?

The new regulators asked fantastic questions.⁴ Many of them were about spectrum auctions. There's no consensus yet in many of their countries that spectrum should be auctioned let alone schedules for doing so. They asked me to explain why removing restrictions on spectrum is important and why they should strongly consider flexible use. We also discussed the role of secondary market transactions in making spectrum use more efficient and providing greater access to the people they serve.

¹ <https://twitter.com/BrendanCarrFCC/status/1111214580259127296>

² <https://twitter.com/BrendanCarrFCC/status/1110946635977277446>

³ <https://twitter.com/BrendanCarrFCC/status/1110552999754194945>

⁴ <https://twitter.com/BrendanCarrFCC/status/1111245417826697217>

I recounted some of the history of how we used to do things—beauty contests, lotteries, and the like. And I shared with them the successes of our recent auctions.

The telecom regulators and commissioners from these countries by and large are young, they are smart, they are ambitious, and they are eager to contribute to their countries' success. It was heartening to hear how much they admired the FCC, and especially the reforms we've made to increase transparency and efficiency.

Our modern approach to spectrum allocation was not a given. It took decades of study and experimentation to make, and it continues to require our attention to remain a model for the world. With this Public Notice we continue the FCC's world-leading approach to wireless services.

So congratulations to the Wireless Bureau and our auctions staff on this step towards another set of successful auctions. This Public Notice has my support.