

Germany auctions off new mobile phone frequencies

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German Chancellor Angela Merkel checks her mobile phone as she arrives for the weekly cabinet meeting in Berlin on March 25, 2015

Germany on Wednesday started an auction of frequencies for mobile phone operators, pledging that users will soon enjoy nationwide super-fast 4G coverage without "black holes" in rural areas.

The government hopes in coming weeks to raise billions of euros as it

sells off the frequencies to the three big providers, Deutsche Telekom, Telefonica Deutschland and Vodafone.

It has pledged to use the money to build up the network of fast broadband Internet connections, which Chancellor Angela Merkel has pledged to extend nationwide by 2018.

With the [auction](#), Germany will become the first European country to sell off the low-frequency 700 megahertz (MHz) band, which has so far been used by regional television stations that will switch over in coming years to the 600 MHz band.

Signals at the 700 MHz band frequencies have the benefit of travelling further, and penetrating buildings more deeply, than the higher frequencies now being used by German mobile network operators.

Transport and Digital Infrastructure Minister Alexander Dobrindt said the winning bidders for the various segments must "commit to investing in high-performance networks and build fast mobile Internet services along highways, railway lines and in [rural areas](#) by 2018."

"The minimum bid is 600 million euros... and I expect a result in the billions of euros," he told the Sunday newspaper Bild am Sonntag, adding that he hoped for "lively competition."

The spectrum auction takes place in the premises of the German telecoms supervisor, where bidders are escorted to secure rooms and communicate via encrypted messages with their head offices, whose staff are also locked away without access to phones or computers.

The process aims to minimise the risk of collusion between the big three German telecom network providers.

Germany's last big sale of telecom frequencies was held in 2010 when previous analogue television frequencies were sold over a five-week auction, netting the state 4.4 billion euros.

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