

3 September 2009

Response to European Commission from Nokia¹ and Nokia Siemens Networks²

Nokia and Nokia Siemens Networks (NSN) are pleased to take this opportunity to comment consultation on “Transforming the digital dividend opportunity into social benefits and economic growth in Europe”.

In general, Nokia and NSN fully support all activities aiming at sufficient of economies of scale in the future usage of digital dividend. In addition, Nokia and NSN share the EC views on the essential role that digital dividend can have in the provision of broadband coverage in large areas of low population density.

Nokia and NSN also acknowledge the leading role of EC in getting the digital dividend harmonized within the European Union. This kind of activity, where different interests are ‘competing’ on the same resource, needs political decisions.

Comments on the detailed plans and proposals:**3.1 Benefits of a common way forward on the digital dividend**

Nokia and NSN agree that a common European way compared to individual national plans would give the best benefit for the society.

3.2 An EU roadmap as a practical way forward

We agree that a common Europe wide roadmap is essential to maximize social and economic benefit of the use of the Digital Dividend. Recognising that not all Member States will wish to move forwards in the same timeframe; however a long term roadmap creates a framework for investment in the development of the European market.

3.3 An EU roadmap must offer sufficient flexibility

Flexibility is necessary, especially, in timing. On the other hand, the regulatory framework and band plans should be commonly agreed.

¹ About Nokia

Nokia is a world leader in mobile communications, driving the growth and sustainability of the broader mobility industry. Nokia connects people to each other and the information that matters to them with easy-to-use and innovative products like mobile phones, devices and solutions for imaging, games, media and businesses. Nokia provides equipment, solutions and services for network operators and corporations.

About Nokia Siemens Networks

Nokia Siemens Networks is a leading global enabler of communications services. The company provides a complete, well-balanced product portfolio of mobile and fixed network infrastructure solutions and addresses the growing demand for services with 20,000 service professionals worldwide. Nokia Siemens Networks is one of the largest telecommunications infrastructure companies with operations in 150 countries. The company is headquartered in Espoo, Finland. www.nokiasiemensnetworks.com

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3.4 Endorsement of the roadmap by the European Parliament and Council

Political support for a common European regulatory framework for the Digital Dividend is important. However, the formal support in the parliament should not impede the urgent need to move forwards with adoption of common European approach.

4.1 Improving consumers' experience by ensuring high quality standards for terrestrial digital television receivers in Europe

a. Ensuring the availability of a compression standard on all DTT receivers¹⁷ sold after 1 January 2012 that is at least as efficient as the H264/MPEG-4 AVC standard.

b. Setting standards for the ability of digital TV receivers to resist interference.

Nokia and NSN support actions to improve the broadcasting standards. Both proposed actions, improving the spectrum efficiency as well as improving the interference resistance are logical evolution steps in today's radio technology and should be applied to broadcasting service as well.

4.2 Increasing the size of the digital dividend through further spectrum efficiency gains

a. Promoting collaboration between Member States to share future broadcasting network deployment plans (e.g. migration to MPEG-4 or DVB-T2).

b. Encouraging the deployment of Single Frequency Networks (SFNs) over Multiple Frequency Networks (MFNs).

c. Supporting research into "frequency agile" mobile communications systems.

It is noted that the basis of the DTT usage is defined in GE-06, which was not optimized for the most efficient use of spectrum but more on the basis of equal access to BC spectrum for each country. Spectrum is an increasingly valuable and scarce resource and all techniques to develop the spectral efficiencies of all Services should be encouraged.

We note that other regions are considering wider new spectrum for mobile broadband. (2x50MHz) and that in the longer term Europe may be disadvantaged by being constrained to only 72 MHz. Therefore a longer term plan should also be considered in Europe.

The proposed actions in a) and b) do not lead to a bigger digital dividend. Especially, the harmonization of a bigger digital dividend is prevented, as long as broadcast usage is based on present GE-06 results. The only way to create a bigger digital dividend that could be harmonized is to further optimize broadcast planning in a follow-up activity of RRC-06 targeting on more efficient DTT packaging technologies and SFNs. This type of scenario was presented in Analysys & Mason study and it is supported by Nokia & NSN. Such an activity would significantly benefit from a common view of, how many national terrestrial TV channels/ entries can be considered as mandatory requirement for a country. Such an activity could permit a real harmonization of the additional digital dividend and it would at the same time lead to a more efficient and harmonized use of broadcasting bands.

Use of white spaces within the lower half of the band (470 – 790MHz) is one way additional spectrum utilisation can be achieved, and is under consideration in CEPT. Nokia & NSN support the research of 'frequency agile' mobile systems but they should be used only after the whole plan for 470-790 MHz is made more efficient.

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4.3 Making the 800 MHz band¹⁸ available for low/medium power electronic communications networks, under harmonised technical conditions, following the principle of technology and service neutrality.

These recommendations are supported as long as the spectrum band plan and other regulatory framework are harmonized. Nokia & NSN support the Commission study result that shows that opening up the digital dividend to wireless broadband services creates a value between EUR 3 billion and EUR 97 billion.

A 2008 study by Spectrum Value Partners³ concluded that the European economy would receive a financial boost of at least €95 billion over the next 20 years if one quarter of the UHF band were allocated for mobile broadband services.

4.4 Adopting a common position on the potential use of the "white spaces" as part of a possible extension of the digital dividend

This element is supported taking into account the comments in 4.2.

4.5 Ensuring the continuity and further development of wireless microphone applications and other secondary uses of the UHF spectrum

The best commonly agreed solution for wireless microphones and other secondary usage would be to identify harmonized band outside the UHF spectrum for these applications.

4.6 More effective cross-border coordination with non-EU countries

This element is strongly supported, especially, in the case of ARNS-mobile co-existence but also for the preparations for WRC-11.

4.7. Addressing future challenges

It is good to study and follow the development and spectrum demand in different areas in order to make the right decisions on time. In order to get full benefit from the possible wider digital dividend, harmonization remains essential. However, if a new broadcasting plan cannot be done, the scope of additional decisions is very limited, as the spectrum remains mostly occupied.

5.1. Accelerating analogue switch-off by 2012

This is supported, in principle. However, more important than a rapid availability of spectrum is that the spectrum is made available in a harmonized manner. Economies of scale for equipment vendors and ultimately consumer benefits rely on harmonization.

³ Getting the most out of the Digital Dividend,
http://www.valuepartners.com/VP_publications/PDF_Comunicati/notizie%20e%20idee/2008/Spectrum-Getting-the-most-out-of-the-digital-dividend-2008.pdf

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5.2. Taking steps towards the opening of the 800 MHz band for electronic communications services by adopting harmonised technical conditions of use in Europe

This is supported. However, as in 5.1, the harmonized mobile band is more important than timing.