

Malta's response to the EU Commission's consultation document on transforming the digital dividend opportunity into social benefits and economic growth in Europe

Objective and timing of the Consultation

On 10 July 2009, the European Commission launched a public consultation 'Transforming the digital dividend opportunity into social benefits and economic growth in Europe' (referred to hereunder as 'the consultation').

The purpose of this consultation document is to obtain comments and views from all interested stakeholders on the use of the Digital Dividend radio spectrum released through the transition to digital terrestrial television. It outlines proposals being considered as part of the planned EU roadmap, both for short term action as well as longer-term policy debate, in order to assist the Commission in finalising these proposals.

It is observed that the deadline for submitting responses to the consultation falls approximately two weeks before the Radio Spectrum Policy Group (RSPG) adopts and announces its opinion on the Digital Dividend. Malta notes that the feedback to the Commission consultation would have been more complete should it have been moved forward, as this would have provided the opportunity to factor in the RSPG's position and proposed way forward.

Furthermore, the consultation makes reference to a study on the socio-economic aspects of the digital dividend. Malta notes that the final results of this study are to be presented to the public on 9 September 2009, a few days after the deadline for submitting responses to this consultation. Even here, a delay in the Commission consultation would have been opportune and would have allowed for the social and economic benefits to be factored in.

The 'Digital Dividend'

In its proposed EU roadmap, the objective behind the strategic actions is indicated to 'further increasing of the size and quality of the digital dividend ...' In the absence of a clear definition of the term 'digital dividend', such a statement can lead to misinterpretation. The Draft RSPG Opinion on the digital dividend states that:

This RSPG Opinion focuses on that part of the digital dividend which may also be used for electronic communication networks (ECN) and electronic communication services (ECS), other than broadcast transmission networks and services, i.e., the sub-band 790-862 MHz (the 800 MHz band), noting that CEPT is tasked by the EC to carry out the technical investigations to define the least restrictive technical conditions applicable for this sub-band. It is foreseen that in bands below the 800 MHz band, i.e., 174-230 MHz and 470-790 MHz, the digital dividend will be used mainly for the development of new enhanced broadcasting services which will also bring significant benefits to society in terms of the value to industry and consumers.

In this context, this response, primarily, addresses the actions proposed in the consultation within the context that the digital dividend will result in an enhancement of broadband services as outlined in the consultations' objective and that the digital dividend refers to the 800MHz band. Malta recommends that in any further communications or consultations this should be clearly stated to avoid any misunderstandings.

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

In general, Malta supports a drive towards improved minimum standards for digital compression and/or enhanced technical capabilities of equipment to withstand interference. However, such improvements should, as far as possible, not result in higher costs for end-user equipment as this would have an impact on consumer take-up.

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

The terrestrial television broadcasting sector has recently invested, or is in the process of investing, heavily in the transition from analogue to digital terrestrial television broadcasting, which transition was driven by regulation. Any proposals and/or actions that would require future upgrades of terrestrial television broadcast networks should take into account such investments and the ability of service providers to carry out additional investments, also considering the current global financial climate.

Malta is, therefore, of the view that due diligence must be exercised when considering any further regulatory intervention in the terrestrial television market, to ensure that any such intervention would not have a negative impact on the commercial viability of the terrestrial television networks.

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

It is agreed in principle that EU harmonisation would allow greater economies of scale and ensures that there is no fragmentation between Member States regarding the technical conditions of use.

However, Malta does not support any requirement to implement any measure to make the 800MHz band available for new and/or enhanced ECN and ECS which does not recognise that Member States may maintain broadcasting in part or all of this band.

More effective cross-border coordination with non-EU countries

Malta is of the view that the Commission should make itself available to provide assistance to Member States in their negotiations with both other Member States and with non-EU countries.

Malta also notes that the WRC-11 agenda item 1.17 will "consider results of sharing studies between the mobile service and other services in the band 790-862 MHz in Regions 1 and 3, in accordance with Resolution 749 (WRC 07), to ensure the adequate protection of services to

which this frequency band is allocated, and take appropriate action". Malta encourages the Commission to take into account the outcomes of WRC-11 in general with regard to the proposed roadmap so as to ensure consistency with neighbouring non-EU countries.

Accelerating analogue switch-off by 2012

The consultation maintains that "the digital dividend will only become fully available after the switch-off of analogue broadcasting in Europe". It is important to clarify that the 800 MHz band may not necessarily be made available immediately after analogue switch-off. In Malta's case, one of the channels assigned to Malta for digital terrestrial TV broadcasting by virtue of the GE-06 plan lies at the heart of the 800MHz band. It is planned that this channel will be used for free-to-air DTTV when the analogue transmissions cease. In order for the 800MHz band to be made available for services other than DTTV, the free-to-air DTTV network needs to be relocated to an alternative UHF channel outside of the 800 MHz band.

It is noted that the deadline of 2012 is not binding on any Member State, and it is not appropriate that binding measures are imposed in this respect.

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

As indicated earlier, in its draft opinion, the RSPG recommends that the EC monitors progress relating to the availability amongst Member States of the 800MHz band for ECN and ECS other than broadcast transmission networks and services, and investigates the merits of its long term availability across the EU.

The proposal to put forward a decision on making the 800MHz band available for ECN/ECSs under technical harmonisation in autumn 2009 is considered to be premature.