



Public consultation

“Transforming the digital dividend opportunity into social benefits and economic growth in Europe”

1. Introduction

The Association of National Radio Broadcasters (RNA - Radio Nazionali Associate) was founded in 1986 with the aim to promote and sustain the development of private radio broadcasting and especially the national private radio broadcasters. Since its foundation the major Italian private radio companies have joined the Association, because for them RNA represents the best way to safeguard their commercial interests in the Italian radio broadcasting landscape. Nowadays RNA is certainly the most representative national association, thanks to the reputation of its associates, who belong to the major Italian media groups (RCS Media Group, Espresso, Il Sole 24 Ore), to independent publishers and to religious and political bodies¹. RNA – Radio Nazionali Associate represents only national radio broadcasters licensed for nationwide radio service. The over ten-year long activity of RNA has been oriented towards the complete expression of the enormous potentiality of Italian private broadcasting: quality of the programs, audience share, reliability of the medium, political significance of the broadcasting community and development of the new digital technologies for terrestrial and satellite radio broadcasting.

The activities of RNA include all those initiatives relevant for the radio broadcasting sector, bringing together its associates with the institutions, the parliament, the government and the public administration, the social parties, the syndicates and the European Institutions. RNA has signed the national collective contract for work of the category and represents Italian private national radio broadcasting in its relations with numerous organisations and associations (copyright, etc.). RNA is the promoter of the Club DAB Italia, the first Italian consortium for development and testing of the new digital broadcasting technologies for the private sector.

¹ At present the members are: Radio DeeJay, Radio Capital, m2o, RDS, R101, Radio Maria, Radio Radicale and Radio 24 - Il Sole 24 Ore

The Club DAB Italia is a consortium of enterprises, founded on February 1, 1996, with the intention to test innovative technologies for radio broadcasting and especially the Eureka 147 based DAB technology for the members of the association of national commercial radios RNA

The Club DAB Italia is licensed by the Ministry of Communications for DAB trials in Italy and has worked intensively to allow the private Italian radio broadcasters to express their potential: high quality programs, high audience levels, reliability of the broadcasting networks, political stability for the radio broadcasters in the present analogue and in the future digital era.

2. The current situation

Both RNA and Club DAB Italia (CDI) welcome the opportunity to express their views on the issues related to the digital dividend, a possible roadmap for an efficient implementation and the actions to be taken in the next future. RNA and CDI express their satisfaction for what has been achieved so far and the actions the Commission is planning.

We agree on the general assumptions that the digital dividend can significantly contribute to the Lisbon goals of competitiveness and economic growth and satisfy some of the important social, cultural and economic needs for the benefit of European citizens and that the digital dividend has a strong European dimension as virtually all its potential uses are mass market consumer applications which will only become a reality if economies of scale and the other internal market benefits can be achieved.

There are, however, some serious concerns on a number of items which have not yet been addressed both by the Commission and by RSPG in the digital dividend discussion. These items can be summarised as follows:

- We are seriously worried about the understanding that the digital dividend is something which automatically only goes to mobile services, including mobile broadband.
- We underline the importance of other media, like radio, going digital. Radio broadcasting allows access for millions of Europeans to free information, entertainment and local services. It is a medium which, once gone digital, will deliver highly advanced services including dynamic traffic information, emergency alerts, visual information, advanced interactive services and access to web-based functionalities which all contribute to the information society and the goals of the Lisbon strategy.
- We believe that Radio broadcasting represents an important part of Europe's economy and neglecting systematically this sector will slow down any possible recovery from the current economic crises.

- In its position paper on the digital dividend the RSPG recognises “the importance and the value to society of the digital dividend below the 800 MHz band (i.e. 174-230 MHz and 470-790 MHz) where it is foreseen that new enhanced broadcasting services will mainly be developed” but in the consultation document of the Commission no reference on how to manage the dividend inside these bands is made. This causes great concern among broadcasters.

In the light of these recent developments, and with the prospect of EU transition to digital TV being completed by 2012, we seriously believe that it is time now to take concrete steps towards a common approach to the use of the digital dividend in Europe. These steps shall be **non-discriminatory** and not only favour mobile broadband and telcos implementing it.

RNA and CDI express also their concerns on the possibilities identified by CEPT for the coexistence of bidirectional of bidirectional low/medium power networks (e.g. for wireless broadband) and traditional high power broadcasting networks. Although in its response to the Commission, the CEPT has provided all the essential technical elements of such solutions we are worried that political aspects have not been evaluated in the correct way, allowing once again a Trojan horse for telcos to get hold of broadcasting spectrum.

As the European Parliament and the Council are expected to adopt the reformed regulatory framework for electronic communications services by the end of this year, which includes provisions to introduce greater flexibility in the use of spectrum we once again underline the importance of differentiating between broadcasting spectrum, allocated to free to air circular services of public utility, and telecommunications spectrum, allocated to pay services provided by telcos. Mobile broadband is not a free service and, although extremely important for economic growth, not a universal service enabling all citizens of the European Union to get access to information and culture.

3. Towards an EU roadmap

RNA and CDI agree that an appropriate European coordination would increase the potential impact of the digital dividend and that there could also be more long term benefits. Therefore we see a common roadmap as quite desirable, as long as the subsidiarity principle is not put into discussion. Frequency management is a very delicate political issue which needs to be dealt with at national level, due to the big differences of regional and national markets. There is no “one fits all” solution for the analogue switch-off for television and the full transition to digital TV and there is no pan-European digital dividend solution either. The dividend will be different in size and characteristics in all Member States. Therefore we welcome the acknowledgment for the need of flexibility needed to cope with national specificities.

4. Proposed elements for a roadmap

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

RNA and CDI agree fully on this topic with the Commission's proposal. Minimum standards for DTT receivers concerning compression standards and ability to resist interference are important to guarantee good quality of service and good quality of reception for digital television services. RNA and CDI would like to envisage a similar approach also concerning DAB-digital radio. Digitaleurope (formerly EICTA), EBU and WorldDMB have already developed a set of profiles which will enable seamless digital radio reception throughout Europe. Profile number 1 describes a simple but efficient multistandard digital receiver compatible with digital radio standards in the UK, Germany, Scandinavia, Czech Republic, France and Italy and shall be adopted in a similar fashion to the minimum profile of the DTT receiver, on 1st January 2012.

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

RNA and CDI agree that the digital dividend could, in some cases, be increased through further gains in adopting spectrum efficient broadcasting techniques. Both more spectrum efficient coding (MPEG-4 or DVB-T2) and the deployment of large scale SFNs shall be encouraged as much as possible. However we must express some concerns for those markets which have already introduced DVB-T with MPEG2 coding on a large scale, with hundreds of thousands of set-top-boxes already sold. Transition to digital TV has already been accomplished in major areas in some European countries and another additional transition will be very complex to manage. We therefore suggest the Commission to make new coding technologies like MPEG4 and DVB-T mandatory as soon as possible for those areas in which DTT has not been yet launched and for new services in those areas in which it has already been launched, keeping standard services with legacy coding on air.

4.3. 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.

The 800 MHz band represents an important frequency band which is already used in Italy for television services in a large extent. Therefore relocating the existing services will create concern among broadcasters and users. Relocating television services to lower frequencies will mean also that TV broadcasters will try to get once again access to band III spectrum, which is needed for digital radio services and has been largely awarded to these kind of services in a number of Member States. RNA and CDI therefore ask the Commission to guarantee and safeguard band III spectrum for digital radio use only, not permitting that the allocation of the digital dividend in the 800 MHz band will put band III allocations at risk. Furthermore, RNA and CDI strongly underline that any existing or future digital dividend in band III (not discussed in this consultation) shall be assigned to digital radio services only and not to television or mobile broadband.

We agree with the analysis concerning the cost/benefits and the option of opening the 790-862 MHz band, but we want to remind that at present there is still low demand for services in this frequency band, which is lobbied for heavily by telecommunication companies. Therefore we recommend the Commission to be extremely cautious when considering scenarios which promise extensive economic benefits for the whole community.

Members States might be requested to implement this decision as soon as possible, but only under the subsidiarity principle, leaving the decision to the National Authorities on when to implement it and on the modalities, as the usage of this band and the request for electronic communication services can vary significantly from Member State to Member State. Therefore we think that the Commission shall not propose a final date for the implementation of the 800 MHz band decision and leave any timing decision to the National Authorities.

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

RNA and CDI think that good planning for radio and television services might be the best suited and most cost effective way to use "white spaces", allowing the broadcasting of additional local services.

Nevertheless, the use of the so called "white spaces" for use by cognitive radio equipment is an interesting possibility which shall be investigated further. Interference to regular broadcasting services shall not be permitted and frequency sharing shall guarantee protection to broadcasting services. Also it shall be made clear that any allocation of "white spaces" shall be made to cognitive radio only as secondary services.

As "white spaces" will not allow for universal coverage, especially in high density areas, there is no economic advantage in allowing electronic communications services to use it.

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

PMSE needs sufficient spectrum to operate in a satisfactory way, especially in the context of big events (like important sport events). Any migration path for current secondary users shall ensure always enough capacity to cover all situations and needs.

We fully agree with the Commission that harmonisation concerning PMSE, even if outside the digital dividend scope, is important for economic and market reasons.

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

With respect to the subsidiarity principle Member States shall manage cross border coordination at national level. We agree that pursuing a common European position during coordination with non-EU countries and at international conferences is an important strategic issue which shall be supported, but at the same time we don't think that the Commission can effectively support single Administrations during cross border coordination. These are actions which require knowledge of the local spectrum

environment, needs and requests and which have been dealt with for a long time at national level and which has worked in a satisfactory way under ITU rules.

4.7 Addressing future challenges

Spectrum management is a dynamic process and we agree with the Commission that there is a need to monitor the developments, new market demands and possible problems in the sector. Therefore a mechanism to monitor external developments affecting the roadmap is welcome as long as it is independent from external interest.

ECSs are an important part of the European economy and essential for its growth but it shall be clear to the Commission that the interests of a single sector shall not hamper the balance of an efficient sector like broadcasting, which guarantees already (and not on paper) thousands of jobs and strongly supports the economic growth of the EU.

5. Urgent actions

5.1 Accelerating analogue switch-off by 2012

Most European Countries already have a roadmap for analogue switch-off. This cannot be easily changed due to technical restrictions and practical limits, including the conversion of the analogue TV networks to digital transmitters and cross border coordination. This transition is extremely costly and has already been planned and included in the business plans of all broadcasting companies. These plans cannot be altered now, especially when considering the delicate current economic situation.

5.2 Taking steps towards the opening of the 800 MHz band for ECSs by adopting harmonised technical conditions of use in Europe

All steps concerning the adoption of harmonised technical condition across Europe for ECSs are welcome. Nevertheless we believe that any decision regarding the technical harmonisation of the 800 MHz band shall be put under consultation in order to gather a broad understanding on the possibilities offered to the European citizens and on the costs for accessing services in this frequency band.

We don't think this is as urgent as other harmonisation actions, for example in the broadcasting sector, where no serious action has been started by the Commission for digital radio until now.

6. Conclusion

RNA and CDI once again thank the Commission for providing the possibility of discussing the issues related to the digital dividend. As underlined above, we welcome the plans for making the digital dividend available as soon as possible. We agree on the

future steps the Commission plans, as long as these steps do not contrast the subsidiarity principle.

Nevertheless, RNA and CDI want also to underline once again some basic points:

- the digital dividend shall be distributed equally and not only to mobile services (for which in some cases request is still inexistent)
- mobile services are paid-for services, broadcasting is generally free-to-air
- there is a digital dividend in band III and IV as well
- the digital dividend in band III shall be assigned to digital radio
- neglecting the broadcasting sector put millions of existing jobs at risk