

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

2 September 2009

Bertelsmann AG welcomes the opportunity to submit its comments on the Commission’s consultation document “**Transforming the digital dividend opportunity into social benefits and economic growth in Europe**”.

Besides comments on the specific sections of the consultation document we would like to make the following general comments.

General remarks:

- The consultation document does not take into account the current ongoing legislative procedure on the review of the framework on electronic communication services. We believe that any final proposal from the Commission regarding the “Digital Dividend” should await the finalization of the legislative procedure on the review of the framework on electronic communications services and the adoption of the multi-annual radio spectrum program as foreseen in the Framework directive by the European Parliament and the Council. The framework directive limits for example the principle of service neutrality which is ignored in the consultation document.
- Furthermore we would like to stress that one of the Commission’s main objective for the use of the Digital Dividend is to bridge the digital divide and deliver broadband to rural areas, an objective which seems to be completely ignored by the consultation document.

Specific remarks:

- **A common way forward: towards an EU roadmap**

We do not share the position taken in the consultation document that the decision on the allocation of the digital dividend should solely take in to account the economic criteria. In order to guarantee an interference free co-existence of mobile and broadcasting services national specificities should be taken into account as well.

Against this background we would like to stress that although we are supportive of a European wide coordination on spectrum issues with the purpose of avoiding interference problems, we are of the opinion that such coordination should not result in mandatory harmonized EU decisions on spectrum. We hereby also refer to the RSPG draft opinion in which the RSPG express its support for a “coordinated non-mandatory EU approach”.

- **Proposed elements for a roadmap**

The consultation document outlines several main action lines which are currently under consideration at the European Commission. We would like to make comments to the following proposed action lines in particular:

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

Although we are supportive of the establishment of improved standards we are of the opinion that certain flexibility should be maintained. Such flexibility will provide for a favorable environment for further developments in compression technologies. We therefore believe that there should be no legally binding standards at EU level.

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

Actions to avoid interferences are crucial. Such action should however be carried out in close collaboration with the EU Member States and should not only concentrate on DTT receivers but also on telecommunication equipment operating in adjacent frequency bands.

- **Increasing the size of the digital dividend through further spectrum efficiency gains.**

We are supportive of optimizing the spectrum usage in the channels 61 to 69 but oppose any extension of mobile usage beyond the sub-band formed by the channels 61 to 69.

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

Given the fact that the Member States currently already collaborate within the framework of CEPT and ITU we are of the opinion that any EU action is not required.

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

Any harmonization decision for the use of the 800 MHz band should be made on a non-mandatory basis. Member States should be able to decide on spectrum allocation taking thereby into account the national specificities. The opening of the upper UHF band might have a great impact on the broadcasters' activities and investment. Decisions or measures to open this upper UHF band cannot just be seen as a "technical measure" which can solely be taken by the European Commission. Making the 800 MHz Band available for the deployment of broadband services in order to bridge the digital divide in rural areas should be done under Member State competence and be in line with the results of WRC07.

- **Urgent actions**

- **Accelerating analogue switch-off by 2012**

Frequency management remains a Member State competence, setting a European mandatory switch of date would go against this rule.

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

We do not see the necessity for any EU spectrum decision which would open the upper UHF band by adopting harmonized technical measures as Member States are towards a progressive opening of the upper UHF band. EU Member States should remain competent to decide whether to open the 800 MHz band for electronic communication services or not.

For any further questions or comments, please contact:

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