

WIND contribution to the

Consultation document

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

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INTRODUCTION

Wind welcomes the opportunity provided by this consultation in order to forward its view on the matter under analysis.

Wind believes that wireless telecommunication services, both Fixed and Mobile, have had in the past, and can still develop further in the future, a profound impact on the way people live and work in Europe and in all the World.

Wind agrees with the views and recommendations proposed by the GSMA Association¹ (further details at: www.gsmworld.com/digitaldividend) hereafter highlighted.

“Mobile telephony is today affordable for more than three billion people, changing their lives in the process. The mobile industry is now on the verge of another significant wave of investment, which could bring affordable mobile broadband services and Internet connectivity to people all over the world. For many, mobile will be the first access they will have had to the Internet and the information society. The technology and the investment are in place; all that remains is to secure harmonised radio spectrum.”

The mobile industry is seeking an allocation of at least 72 or better 100MHz of Digital Dividend spectrum in all regions, awarded on a harmonised basis. With such an allocation, the vision of mobile broadband everywhere could be transformed into a real single European Market and the gains to the Society as a whole could be maximized.

We consider also that *the mobile industry needs clear and urgent decisions on Digital Dividend spectrum allocation at a national and regional level. This will enable the industry to invest early and with confidence in the future of mobile broadband and the services that it will deliver, (taking full advantage of the possible economy of scale contributing to the European economic recovery) This kind of future-proofing is essential if the industry is to continue to deliver the social and economic benefits that are being enjoyed by both developed and developing nations. Harmonised spectrum allocation will make this possible and economically viable across all markets.*

COMMENTS ON THE PROPOSED ELEMENTS FOR THE ROADMAP

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

We agree on the need and benefits of such an approach **oriented to ensure the availability of standards aimed to improve compression techniques and the ability of digital TV receivers to resist interference.**

Nevertheless, we consider this path an indispensable opportunity and a target objective that requires a medium-term relevant development.

¹ “Digital Dividend for Mobile: Bringing Broadband to All” (<http://hspa.gsmworld.com/upload/resources/files/13012009164124.pdf>)

The assignment of the progressively freed spectrum to the mobile services is an urgent short-term objective; it must not be potentially procrastinated or simply delayed by standardization processes (unless they should be a technical pre-requisite to the effectively use of the frequencies).

In this sense, we consider essential that the assignment of the frequencies for mobile access and services must be “from now”, and during all the switch-over process, not after its end (or later).

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

Wind agrees with the need to gain more digital dividend supporting actions to perform spectrum efficiency even promoting collaboration between Member States to share future broadcasting network deployment plans (e.g. migration to MPEG-4 or DVB-T2) and encouraging the deployment of Single Frequency Networks (SFNs) over Multiple Frequency Networks (MFNs). The latest in order to migrate progressively to lower power/higher density broadcasting network topologies, so to assure customers with enhanced services like on the move TV reception, reduced radio frequency emission levels, increased Set top box immunity to disturbance (see point 4.1)

Regarding point C of the submitted questions, on the other hand, Frequency agile mobile systems cannot be considered as systems easily available in the near future but research on a cooperative basis with Community funding is certainly to be continued.

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.

As stated in the Foreword we believe that making available the 800 Mhz band (namely the upper part of 790 to 862 Mhz) for low/medium power communication networks, under harmonized technical conditions is a unique “once in a generation” opportunity to give a very strong impulse to mobile communication systems.

This Spectrum is the most speedily potentially available spectrum as European Countries are in the process of transforming broadcast in this band from analogue to digital.

The Digital Dividend gain, even without the further potential gains mentioned in the previous paragraph, is so high and allows such a multiplication of channels (from 5 times up to 10 times as much channels) that reserving 25% of this bandwidth to communication systems would optimize the overall gains to society and result in much higher gains to the European Economies than losing this opportunity and assigning all frequencies to broadcast only. This assignment would still leave very high gains in broadcast channels to amply justify the investments in DTT of the broadcast industry.

We emphasize the crucial importance of the 800 MHz frequency band in light of the future development of Mobile Services and particularly for Mobile Broadband pointing out the following critical points:

1. Availability of this band would allow **extremely significant gains in the speed and economy** of deployment of future generation mobile broadband as it allows to achieve coverage of vast areas with minimum number of radio transceivers.
2. These economic advantages can make it feasible to extend coverage of mobile broadband into rural areas enabling among other things to **amplify the role of mobile wireless in reducing the digital divide**.
3. In addition it allows in urban environment to **achieve excellent penetration in buildings going in the direction of user needs to use mobile broadband anywhere anytime**.

In addition, we strongly support a harmonized approach as proposed by EU.

Spectrum (or frequency) harmonisation, where countries across a region use the same spectrum frequency, is vital. It is critical for the successful, cost-effective deployment of any wireless service as it provides the economies of scale which drive down handset and network equipment costs and encourage innovation. Without such harmonisation, handset costs could be prohibitively high, which would reduce uptake. This would harm not only consumers and the mobile industry, but also reduce the benefits that mobile technologies bring to national economies. If spectrum allocation is not coordinated internationally, then many smaller markets may be neglected by device manufacturers, who would naturally concentrate on larger markets, with greater potential for volume sales and a higher return on investment.

This view has already been totally adopted by the US and many European Countries are considering reserving or have already reserved this portion of band to low/medium power communication services.

The situation in Italy, regarding the 790-862 MHz band, though not yet fully finalized, is critical at the moment as the national frequency plan has assigned all the Digital Dividend Band to broadcasters, however the actual frequency assignments and the contest process has not yet been initiated.

Therefore we consider all the more urgent to support and amplify as much as possible this EU initiative and to take any action possible at EU level to awaken the interest in this assignment in order to at least to obtain that the actual assignment process should not take place immediately and possibly to activate it only gradually in order to obtain more time to reconsider more deeply the implications of these decisions.

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

We agree on the opportunity to start a common examination of the proposed topic, but we consider premature to approach it in regulatory terms, giving a common address unless basing it on technical pre-examinations at the moment.

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

We agree with the proposal

4. 6. More effective cross-border coordination with non-EU countries

We agree with the proposal

4.7. Addressing future challenges

We agree with the proposal

5. URGENT ACTIONS

5.1. Accelerating analogue switch-off by 2012

Italy has already confirmed the switch-off process in 2012². A switch-over plan for the progressive geographical migration is already available. In this sense, we don't consider a priority to accelerate this process, in accordance with its complexity.

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

Wind fully agrees with the Commission intention to act in order to prevent a risk of fragmentation in the internal market due to the fact that an increasing number of Member States are presently considering national regulatory actions regarding this matter, without taking into full account the economic and social relevance of the digital dividend used for electronic communication services.

Nevertheless, we consider a concrete priority to grant access to the freed frequency, in particular, to mobile TLC operators in order to support their efforts to develop full broadband access.

² **Italian switch-off plan**

(<http://www.agcom.it/Default.aspx?message=downloadpdf&DocID=100>)

L'articolo 16 della legge 29 novembre 2007, n. 222, recante "Conversione in legge, con modificazioni, del decreto-legge 1° ottobre 2007, n. 159, recante interventi urgenti in materia economico-finanziaria, per lo sviluppo e l'equità sociale", ha posticipato al 2012 la data da ultimo prevista per lo *switch-off* delle trasmissioni analogiche (2008) di cui all'articolo 2-*bis*, comma 5, del decreto-legge 23 gennaio 2001, n. 5, convertito, con modificazioni, dalla legge 20 marzo 2001, n. 66 al 2012.

(http://www.comunicazioni.it/aree_interesse/televisione/tv_digitale_terrestre/pagina1.html

<http://www.agcom.it/Default.aspx?message=downloaddocument&DocID=2708>)

Decreto firmato dal Ministro dello Sviluppo Economico, On. Claudio Scajola, il 10 settembre 2008. Con tale decreto, il Governo ha presentato il calendario per il passaggio definitivo dell'Italia alla televisione digitale terrestre, coinvolgendo oltre 20 milioni di abitazioni e 50 milioni di apparecchi televisivi. Il processo di transizione sarà progressivo sul territorio italiano, suddiviso in 16 aree tecniche, a partire dal secondo semestre del 2009 fino al secondo semestre del 2012.

Owing to the different market strengths and power of mobile network operator in each EU country a preferential option on the formal assignation of these frequencies for digital dividend approach should be adopted to better the frequency access (i.e. preferential approach to third and other small network operators)

In this sense we consider maximally urgent and indispensable to address at EU level the official confirmation of the band to be assigned to the mobile access and services and a clear directive in order to mandate the Member States to assign/reserve to mobile services and to publish the complete frequency release plan, carrying into effect their progressive assignation to the mobile operators during all the switch-over process.

Wind appreciates the right timing proposed in the consultation document for the next actions:

- **submit to the Radio Spectrum Committee (RSC) a draft EC decision on the technical harmonisation of the 790-862 MHz band for regulatory opinion in autumn 2009,**
- **possibly a final adoption by the Commission at the beginning of 2010.**
- **A parallel action to refrain Member States from any regulatory action regarding the use of the 800 MHz band in the meantime.**

This approach could better address and grant real initiatives by the NRAs of all the Member States, in order to take in count also the Mobile operators as possible grantee for the indicated band of the freed frequencies.

With analogue switch-off already in progress and spectrum reallocation decisions starting to be made, the risk of divergences from this orientation proposed to be expressed at EU level could become a concrete reality.

Once digital TV deployment is under way, the more expensive and complex it will become to retrospectively open up the frequencies to mobile services.

On this regard the current Italian situation is represented in the following.

Ministero dello Sviluppo Economico- DECRETO 13 novembre 2008 - (G.U. n. 273 del 21-11-2008 - Suppl. Ordinario n.255)	Approvazione del Piano nazionale di ripartizione delle frequenze. (PNRF) http://www.comunicazioni.it/aree_interesse/televisione/piano_nazionale_ripartizione_frequenze/
DELIBERA N. 181/09/CONS (07/04/09)	Criteri per la completa digitalizzazione delle reti televisive terrestri
DELIBERA 427/09/CONS (29/07/09)	CONSULTAZIONE PUBBLICA SULLO SCHEMA DI PROVVEDIMENTO RELATIVO ALLE PROCEDURE PER L'ASSEGNAZIONE DELLE FREQUENZE DISPONIBILI IN BANDA TELEVISIVA PER SISTEMI DI RADIODIFFUSIONE DIGITALE TERRESTRE E MISURE ATTE A GARANTIRE CONDIZIONI DI EFFETTIVA CONCORRENZA

The frequency release process in Italy [... *OMISSIS*...]:

- The VHF-III, UHF-IV, UHF-V³ bands have been integrally assigned to the broadcasting services in the last National Frequency Plan definition, also in the new digital services context (2008);
- The allocation phase of the frequencies progressively freed by the switch-over process is taking place (in coherence with the criteria defined by the DELIBERA N. 181/09/CONS) and at the moment the procedures defined to manage the assignation is under public consultation (DELIBERA 427/09/CONS).
- Currently, a portion of these bands it's going to be re-assigned from analogue to digital (DTT / DVB-H) services and all the freed frequency, including large part of the 790-862 MHz band, will be assigned only to broadcasting operators.
- The future re-assignation of the 790-862 MHz band to mobile services appears complex and not assured in any sense, at the moment
- Frequency trading is not allowed

[... *OMISSIS*...]

A declaration recently performed by the AGCOM President, reported by ANSA, indicates the NRA intention to take in count also the mobile access and services for frequencies allocation in the future, and also the AGCOM annual report (2009)⁴ indicates the NRA will to individuate a new set of frequencies for Mobile services, to promote mobile BB, though it doesn't explicitly refer to the 790-862 MHz band (currently assigned to broadcasting services)

[... *OMISSIS*...]

CONCLUSIONS

Hereafter are summarized the main relevant points detailed in the previous paragraphs.

- Wind agrees with the opportunity to ensure the **availability of standards aimed to improve compression techniques** and the **ability of digital TV receivers to resist interference**, in order to increase the digital dividend, but only if it doesn't conflict with the timely definition of a regulatory framework **granting the assignment of the frequencies for mobile access and services starting "from now", and during all the switch-over process, not after its end (or later).**

³ [This band includes large part of the 790-862 Mhz band.](#)

⁴ http://www.amblav.it/Download/Agcom_Relaz_pres_2009.pdf

Grazie alla cura dimagrante imposta agli *incumbent* e in virtù della maggior efficienza nell'utilizzazione dello spettro radio derivante dalla pianificazione di reti isofrequenziali, risulterà disponibile un dividendo nazionale di 5 reti, che verrà messo a gara con criteri e correttivi¹² che garantiranno l'apertura alla concorrenza, l'ingresso di nuovi operatori e la valorizzazione di nuovi programmi¹³.

Nota 13: Il punto dove siamo giunti costituisce, data la situazione di partenza, una svolta storica. Esso, tuttavia, non rappresenta, nelle nostre intenzioni, il punto d'arrivo. Dovremo nei prossimi anni trovare ancora spazio per la creazione di un dividendo esterno che lasci risorse ad altri servizi di comunicazione (tra cui il *mobile broadband*).

- Owing to the different market strengths and power of mobile network operator in each EU country a **preferential option on the formal assignation of these frequencies for digital dividend approach should be adopted to better the frequency access (i.e. preferential approach to third and other small network operators)**
- We emphasize the relevance of the 800 MHz frequency band, compared with the higher ones (i.e. 2100 and 2500 MHz) in light of the future development of Mobile Services and particularly for Mobile Broadband; they would allow:
 1. **extremely significant gains in the speed and economy**
 2. **amplify the role of mobile wireless in reducing the digital divide .**
 3. **achieve excellent penetration in buildings in order to provide mobile broadband anywhere anytime.**
- A switch-over plan for the progressive geographical migration is already available in Italy and its duration has been confirmed within 2012.
An harmonization of the switch-off deadline (2012) all over Europe should be pursued.
Oddly, we don't consider a priority to accelerate this process, in accordance with its complexity.
- With analogue switch-off already in progress and spectrum reallocation decisions starting to be made, the risk of divergences from this orientation proposed to be expressed at EU level could become a concrete reality.
[... *OMISSIS*...]
Once digital TV deployment is under way, the more expensive and complex it will become **to retrospectively open up the frequencies to mobile services.**
- Wind agree on the right timing proposed in the consultation document for the next actions:
 - **submit to the Radio Spectrum Committee (RSC) a draft EC decision on the technical harmonisation of the 790-862 MHz band for regulatory opinion in autumn 2009,**
 - **possibly a final adoption by the Commission at the beginning of 2010.**
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