

ONITELECOM's reply to the European Commission's Public Consultation on the Digital Dividend

04/09/2009

ONITELECOM is a Portuguese alternative operator focusing on the corporate, business, public sector and carriers' market segments. ONITELECOM is the main alternative to the incumbent operator in Portugal in these markets and operates an extensive network already based on next generation technologies.

ONITELECOM welcomes the opportunity to present their views on the European Commission's (EC) public consultation on the Digital Dividend. As an electronic communications operator we will focus our reply on the aspects directly related to our activity.

1. General concern - fostering competition through equitable access to the Digital Dividend

ONITELECOM regards the Digital Dividend as a unique opportunity to foster the development of the Information Society by means of the introduction of new advanced electronic communication services at competitive prices. However, this can only be achieved if equitable access conditions to the frequencies are set in place, ensuring that dominant operators do not gain greater dominance.

This is especially critical in markets where traditional mobile operators are already dominant compared to fixed line operators. In those markets the Digital Dividend could be used to allow new entrants in the wireless and mobile broadband markets, resulting in innovative services at better prices. It should be noted that such services can be provided over technologies alternative to traditional mobile broadband technologies, possibly in more efficient ways, which creates an opportunity to foster competition by means of different technological platforms capable of similar service functionalities and service levels.

2. Urgent action - accelerating analogue switch-off by 2012

ONITELECOM fully supports the intentions of the EC regarding the need for the complete switch-off of analogue television broadcast across the whole of the European Union by 1 January 2012, as this will ensure the speediest availability of the Digital Dividend and the maximisation of its economic and social impact.

3. Urgent action - taking steps towards the opening of the 800 MHz band for electronic communications services by adopting harmonised technical conditions of use in Europe

ONITELECOM fully supports the intentions of the EC regarding an urgent harmonisation of the technical conditions for use of the 800 MHz band across Europe. This harmonisation will allow gains of scale in terms of equipment development and will facilitate the interoperability of systems and networks across Europe.

In line with our general concern of fostering competition, however, the harmonisation of technical conditions must ensure the technological and service neutrality of the use of the band, and equitable access conditions to the frequencies must be set in place in order to ensure proper competitive conditions.

An additional concern regarding the use of this band is related to it being already partially allocated to Digital Terrestrial Television in certain regions or countries, limiting its availability for other services. This also causes potential problems of coordination between neighbouring countries and the need for relocating broadcasters to other bands. As such, the NRAs of the affected countries should define a migration roadmap in a well defined time frame.

Finally, the coordination of the use of the 800 MHz band and other bands (e.g.: 2,6 GHz and 3,5 GHz) for broadband wireless services should be properly addressed, as these bands are or will be shortly made available for such services with varying attribution and use conditions.

4. Roadmap elements

ONITELECOM generally agrees with the roadmap elements proposed in the consultation. The final version of the roadmap should take into account the concerns presented in the previous sections of our reply, especially regarding element 4.3. of the roadmap.

ONITELECOM fully supports all proposals regarding coordinated approaches to frequency bands across Europe and neighbouring countries (elements 4.3., 4.4., 4.5., 4.6.) and means of increasing the available size of the Digital Dividend (elements 4.2., 4.4.). These will maximise the gains of scale related to common equipments in a large market, easier interoperability of networks and systems across Europe and the social and economic impact of the Digital Dividend.

Regarding element 4.5. it should be noted that UHF would be a very interesting band for low power applications such as RFID, which could benefit from cost reductions leading to an easier mass adoption in socially relevant areas (e.g.: medical asset management). Therefore, spectrum coordination and harmonisation for these applications is very welcome.

Finally, element 4.7. is very critical, considering the rapid pace of technological change and should be given due importance in the final version of the roadmap. Related to this element, the adoption of a common European approach regarding Public Safety and Emergency communication networks is very important.