

**Proposal for a decision of the European Parliament and of the Council on the use of the 470-790 MHz frequency band in the Union (COM (2016) 43 final)**

**PROPOSED FINAL DOCUMENT**

The Parliamentary Committee on Transport, Posts and Telecommunications of Italy's Chamber of Deputies,

Having examined, pursuant to Rule of Procedure No. 127, the Proposal for a decision of the European Parliament and of the Council on the use of the 470-790 MHz frequency band in the Union (COM (2016) 43 final);

Whereas,

Article 1.1 of the Proposal for a decision sets 30 June 2020 as the date by which Member States shall authorise the use of the 694-790 MHz frequency band (the so-called 700 MHz band) for wireless broadband electronic communications services, and specifies that as of that date the use of the 694-790 MHz frequency band shall be reserved exclusively for parties capable of providing wireless broadband electronic communications services that comply with the harmonised technical conditions set by the European Union;

Article 1.2 specifies that in order to allow the use of the 694-790 MHz frequency band in accordance with paragraph 1, Member States shall conclude all necessary cross-border frequency coordination agreements within the Union by 31 December 2017;

Article 2, also taking account of the provisions of article 1, establishes that by 30 June 2022, Member States shall allow the transfer or leasing of the rights of use of spectrum for broadband electronic communications services in the aforementioned frequency band;

With reference to the 470-694 MHz frequency band (the "sub-700 MHz band"), article 4 of the Proposal requires Member States to ensure the availability of the band or parts thereof both for the terrestrial provision of audiovisual media services to mass audiences, including free television, and for use by wireless audio PMSE equipment, and specifies that if Member States authorise the use of the 470-694 MHz frequency band for electronic communications other than television broadcasting networks, such use shall be limited to downlink-only;

Article 5 establishes that by 30 June 2017, Member States shall adopt and make public their national plan and schedule ("national roadmap") for fulfilling their obligations under articles 1 and 4 of the Proposal for a decision relating to the use of the 694-790 MHz and the 470-694 MHz frequency bands. In their national roadmaps, Member States shall

include, where appropriate, information on measures to limit how the forthcoming transition related to the 694-790 MHz frequency band will impact on the public and users of wireless audio PMSE equipment, as well as measures to facilitate the timely availability of interoperable television broadcasting network equipment and receivers in the internal market;

Article 6 provides for a new assessment in 2025 of the social, economic, cultural and technological aspects affecting the use of the 470-694 MHz band for broadband wireless electronic communications, on the basis of which the European Commission shall report to the Council and the Parliament on developments in the use of this frequency band, and determine whether any changes need to be made in the manner in which it is used;

As indicated in the explanatory memorandum, the Proposal for a decision is motivated by the need to ensure a coordinated transition throughout the European Union to the 694-790 MHz frequency spectrum for broadband wireless electronic communications services to respond to the rapid increase in mobile internet traffic, which is being primarily driven by the rising use of video content;

While concurring completely with this objective, we would point out that the Commission's proposed provisions with respect to these platforms do not take account of the considerable variety of radio and television broadcasting models in different Member States, and seem to refer exclusively to those Member States that have already reached a more advanced phase in migrating the 694-790 MHz frequency band from use as a spectrum for television broadcasts to use as a spectrum for wireless broadband;

In particular, the Commission's proposals do not take account of the peculiarities of countries such as Italy where digital terrestrial broadcasting is of fundamental importance, being the primary means of free-to-air transmissions of audio-visual content, including for the public service broadcaster. The 694-790 MHz frequency band in Italy is currently 60% occupied by national network broadcasters, while the remaining part is almost entirely occupied by local broadcasters, whose operating licenses expire in 2032. Italy, acting within the time constraints set by the European Union, has already allocated the 790-862 MHz frequencies ("the 800 MHz band") to broadband wireless services, and the allocation also of the 694-790 MHz frequency band to the same would lead to a reduction from 40 to 28 in the number of UHF channels available to television broadcasters, and these frequencies would have to be shared on an equal basis with neighbouring States;

The situation envisaged in the proposal would require the implementation of a plan for the migration of Italian radio and television broadcasters to the remaining frequencies, which makes the deadline of 30 June 2020 for the adoption of the 694-790 MHz for wireless broadband an unrealistic prospect;

Consideration also needs to be given to the time that is necessary for the general adoption by Italian users of the new DVB-T2 standard for digital terrestrial broadcasting

and of the HEVC encoder, both of which, as they enable the more efficient use of the spectrum, can contribute to the freeing of the 694-790 MHz frequency band. The two processes therefore need to be carried out with the utmost coordination, also for the sake of avoiding the imposition of extra costs on television broadcasters and users;

Considering the transmission systems and codecs installed in the receiving devices used in Italy, a great number of which still use first-generation technologies (DVB-T transmission standards and the MPEG-2 codec), an incentive plan that complies with the regulatory requirements of the European Union, is needed to encourage users to upgrade their devices, which would then facilitate the adoption of broadcasting systems that permit a more efficient use of the radio spectrum;

With respect to this issue, reference should be made to the Report presented to the European Commission by Pascal Lamy in September 2014 on the results of the work done by the High Level Group on the future use of the UHF band (470-790 MHz), which Mr Lamy himself chaired. At the conclusion of a broad-ranging and in-depth analysis and comparison of notes with operators in the sectors involved, the Group recommended assigning the 694-790 MHz frequency band to mobile broadband services by 2020, but with a two-year flexibility in either direction precisely because allowances need to be made for the different conditions of the television market in different Member States;

On 19 February 2015, the Radio Spectrum Policy Group (RSPG), made up of experts from the Member States and the European Commission, adopted an opinion to the effect that Member States should be allowed, on justifiable grounds, to delay assigning the 700 MHz band for electronic communications services to wireless broadband by two years beyond 2020;

It is therefore necessary to maintain some degree of flexibility when fixing the deadline by which the 700 MHz frequency band must be allocated to wireless broadband electronic communications services, so that countries such as Italy with a higher-than-average use of the digital terrestrial platform for audio-visual broadcasting can effect an orderly transition to the new standard without entailing additional charges for users or for broadcasting companies;

The proposals of the European Commission, as set out in article 4 of the document under examination, imply that even before the new assessment scheduled for 2025, Member States may authorise the use of the 470-694 MHz frequency band for terrestrial systems capable of providing electronic communications services other than TV broadcasting networks; yet it is also necessary to safeguard the primary use of this band as provider of audio-visual media services via digital terrestrial broadcasting, since the operators in this sector need to have an adequate length of time in which to plan their activities, also with reference to technological and market developments;

In respect of this issue, too, it is opportune to heed the indications of the Lamy Report, which highlighted the need to provide adequate assurances to digital terrestrial broadcasters about the investments that they will have to make, which, as the Report notes, means they will have to be guaranteed access to the 470-694 MHz frequency band until 2030, and that until that date the primary use of the frequency band should continue to be the provision of audio-visual media services by digital terrestrial broadcasters pending a further assessment in 2025;

This Committee calls on the competent EU institutions and the Italian Government to take all appropriate steps to ensure that during the process of consideration and approval of the decision under review, the following observations are taken into account:

1) In line with the conclusions of the Report presented to the European Commission by Pascal Lamy on the results of the High Level Working Group on the future use of the UHF band, and in line also with the opinion of the Radio Spectrum Policy Group (RSPG) referred to in the preamble, it would be appropriate to allow Member States to postpone for up to two years the deadline, which has been set for the end of 2020, for authorising the use of the 694-790 MHz frequency band for terrestrial systems capable of providing electronic communication services via wireless broadband, so as to take into account the special requirements regarding the use of the spectrum that arise from the manner in which audio-visual media services are provided at a national level;

2) Again in line with the conclusions of the Lamy Report and the opinion of the Radio Spectrum Policy Group (RSPG), it would be appropriate also to ensure that the 470-694 MHz frequency band be reserved for the provision of audio-visual media services via digital terrestrial and via wireless audio PMSE equipment until 2030, and to rule out, either until that date or until a date that will be set on the basis of the results of the re-assessment scheduled for 2025, any possibility of authorising the use of that frequency band for any terrestrial systems providing electronic communications services other than TV broadcasting networks;

3) With reference to article 5 of the draft Decision, it would be appropriate to reach a EU-level stance allowing Member States to adopt, where necessary, measures that would encourage users to purchase new television sets and broadcasters to make the necessary technological adjustments, with particular regard to initiatives to coordinate the transition in the use of the frequency band 694-790 MHz to the public take-up of the new DVB-T2 standard for digital terrestrial television broadcasting, which, along with the most advanced codecs, allows a more efficient use of the spectrum and thereby makes it easier to release the frequency band in question;

As regards the responsibilities of national bodies that have to do with the provisions contained in the Proposal for a Decision, this Committee urges the Government:

*A)* on the basis of careful study of the characteristics of the receivers in use in the country, to consider initiatives that, whether they involve the dissemination of suitable information or compensatory measures aimed particularly at the economically disadvantaged, will encourage users to acquire television sets that work with the new technologies, also so as to enable more efficient spectrum use, while also taking into account the cost of the disposal of old equipment;

*B)* to identify the best way of providing local broadcasters with adequate transmission capacity, given the special importance of them to our country, also because of the pronounced historical, cultural and economic specificity of the different parts of the national territory;

*C)* to identify initiatives relating to the sector of wireless broadband electronic communications services that can, potentially, lead to the making available of the frequencies allocated to this sector at a fair and proportionate cost, while taking due account, including in relation to frequency allocation, of the commitments undertaken by telecommunication operators with a view to developing the mobile infrastructure; and, more generally, to pursue, by all necessary means, the primary objective of encouraging the take-up of broadband and ultra-broadband as an essential infrastructure for the economic and social development of the country.