



EUROPEAN COMMISSION
Regulatory Scrutiny Board

Brussels,
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Opinion

Title

DG CNECT - Impact assessment on the proposal for a Decision of the European Parliament and of the European Council on the use of the 470-790 MHz frequency band in the European Union

(draft version of 28 October 2015)*

(A) Context

Radio spectrum has increasingly become a strategic scarce resource in the digital world. The Digital Agenda for Europe (DAE) and the Radio Spectrum Policy Programme (RSPP) set out targets for wireless broadband (WBB) spectrum and broadband deployment and promote the proliferation of innovative audiovisual services. The Commission has identified the Digital Single Market (DSM) strategy as a key priority. In this context, effective spectrum management is essential in order to ensure a fully connected European Union and a single market for ICT services and wireless equipment promoting economic growth and societal benefits. The DSM strategy states that "The Commission will make specific proposals regarding the coordinated release of the 700 MHz band, which is particularly well-suited for ensuring the provision of broadband services in rural areas, while accommodating the specific needs of audio-visual media distribution".

The International Telecommunications Union (ITU) and World Radiocommunications Conference 2012 have decided that the 700 MHz UHF band should have co-primary allocation of both wireless broadband and broadcasting. This impact assessment assesses options for EU-level action to clear this band from broadcasting and to open up the possibility to offer wireless broadband services also in the sub 700 MHz band, while taking account of social, economic, cultural and technological aspects.

(B) Overall opinion: POSITIVE

The Board recommends that the IA report be further improved, with special attention to the following aspects:

1) The situation in the different Member States should be more clearly mapped out, both as regards their starting point and how they would be affected by the different options. In this context, the baseline scenario should be further developed, to take better account of the varying actions already taken by certain Member States. Equally, the analysis of EU added value should be strengthened, clarifying the need for a coordinated spectrum use.

2) The impact analysis should be reviewed against an updated baseline. Indirect benefits of the initiative should be brought out more explicitly, even if only in a qualitative manner. In particular, the report should put more focus on the added value of the initiative for the deployment of future technologies relying on the availability of wireless broadband (e.g. connected car, smart meters, etc.) and also expand the discussion on benefits for consumers.

* Note that this opinion concerns a draft impact assessment report which may differ from the one adopted

3) The report should clarify which aspects will be left to be determined through implementing decisions.

4) The intelligibility of the report should be enhanced.

(C) Main recommendations for improvements

1) Enhance the baseline scenario and the value added of EU action. As the initiative has an important regional component, the report should include a better description of the starting points in different Member States to have a better reference for analysing the expected distributional effects. The actions taken or planned by several Member States to repurpose the 700 MHz frequency band should be included in the baseline scenario and the added value of a coordinated approach at the EU level should be stated more explicitly. Reference should also be made to the international context of the initiative, describing main trends in spectrum assignment across the world and the position of the EU. In addition, the argument of increased economies of scale for the EU following from this initiative should be better explained illustrating where they are expected to be realised and why. Where this cannot be quantified, at least anecdotal evidence should be provided.

2) Strengthen the analysis of impacts.

– The impact analysis should be reviewed against an updated baseline (e.g. certain costs may be revised downwards given action already undertaken by some Member States). The assumptions underlying the estimates should be clarified (e.g. regarding the scope of coverage obligations) and figures should be checked for consistency throughout the report.

– The assessment of why a coordinated approach is needed should be supplemented with a better presentation of the indirect benefits of the initiative as regards the availability of spectrum for advanced technologies relying on pervasive broadband access (e.g. connected cars, smart meters, etc.).

– The presentation of impacts on consumers should be made clearer (even if it is difficult to quantify the expected benefits), in particular for those most affected by the initiative (i.e. in remote rural areas where there are no alternatives to digital terrestrial TV as a means to have access to public broadcasting services and/or where the digital terrestrial TV platform penetration is the highest).

– The presentation of impacts on PMSE users should be expanded by referring to the conclusions of the impact assessment report accompanying the 2014 PMSE Decision (2014/641/EU) to better demonstrate that the negative impacts on PMSE users would not be as significant as it is currently presented in the report.

– The environmental impacts linked to the replacement of digital terrestrial TV receivers should be discussed in more detail, considering normal vs. accelerated replacement rate as regards both the amount of electronic waste and the increased energy efficiency of new devices.

– The analysis of feasibility and consequences of breaking the running licence contracts with DTT broadcasters in Member States should be expanded.

Some more technical comments have been transmitted directly to the author DG and are expected to be incorporated in the final version of the impact assessment report.

(D) Procedure and presentation

The report should be made more accessible to an uninformed reader by using a less technical language. It should also be clarified which elements of the initiative will be covered in the Commission's implementing decision and which ones in the Council Decision.

(E) RSB scrutiny process	
Reference number	2015/CNECT/017
External expertise used	No
Date of RSB meeting	25 November 2015