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DIGITALEUROPE RESPONSE TO THE DRAFT RSPG OPINION ON LICENSED SHARED ACCESS (LSA)

Executive Summary

DIGITALEUROPE appreciates the Radio Spectrum Policy Group's efforts in advancing the work on Licensed Shared Access (LSA) and would like to seize this opportunity to share its industry views on the draft Opinion.

DIGITALEUROPE considers LSA as an innovative and complementary regulatory approach to the existing licensing mechanisms to assist in addressing the likely exponential growth of wireless data traffic for the upcoming years and to deliver on the objectives of the Radio Spectrum Policy Programme and Europe 2020 strategy. Where clearing of spectrum is not possible in a reasonable timeframe or is too costly, European Administrations should look for sharing opportunities between incumbent users and new commercial users on a LSA basis.

DIGITALEUROPE supports the draft RSPG Opinion on LSA to a large extent but believes that the definition of LSA should be slightly amended and some further aspects concerning the scope of LSA should be refined. Indeed, enabling sharing under a well-defined LSA framework will foster efficient market incentives for high quality of service as well as infrastructure and technology investment, and encourage a voluntary and market-driven implementation.

DIGITALEUROPE views on LSA

DIGITALEUROPE believes that the RSPG should further advance its work on LSA based on the following principles:

- The industry requires a clear and stable definition of LSA as predictability and certainty in the regulatory framework is a key for investments in technologies and innovation; LSA represents an opportunity for Europe to lead the global debate on the shared use of spectrum;
- LSA should lead to the efficient use of spectrum and foster innovation in mobile broadband and delivery of QoS based services; LSA should therefore be a tool to make underutilized bands available to the market for mobile broadband commercial use in a timely manner, on a licensed basis, when the re-allocation and clearing of spectrum for exclusive re-assignment are deemed lengthy, costly and impracticable due to incumbent use;

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- Sharing under LSA should be binary in the sense that the LSA licensee(s) will use the spectrum where and when the spectrum is not used by the incumbent. LSA licensees will enjoy exclusive spectrum rights of use with appropriate protection where and when the spectrum is not used by the incumbent. This enables the offering of a predictable Quality of Service;
- LSA should be based on vertical sharing as the services provided under the spectrum usage rights of the incumbent and the LSA licensees are and will remain different and thus “vertical”. When a band is made available for mobile broadband under LSA, the incumbent will continue to offer the same services as per its original spectrum rights whereas the LSA licensee(s) will be authorized to offer mobile broadband services;
- As noted by the RSPG, LSA is distinct from spectrum trading where the incumbent and the secondary licensee will be offering similar services or from other forms of horizontal spectrum sharing such as CUS (Collective Use of Spectrum);
- LSA should address bands with clear potential for global harmonization and be supported by the appropriate standardisation background; it should apply to bands currently underutilised by incumbents, with “incumbent” being defined as “a current holder of spectrum rights of use which have not been granted through an award procedure (beauty contest, auction) for commercial use”;
- Provision of incumbent spectrum usage information is needed in order to attract interests of potential LSA licensees.
- The National Regulatory Authority remains entitled to deliver the individual rights of use of spectrum to the LSA Licensee based on the sharing framework. LSA should be however a voluntary regulatory tool leveraging mutual commercial benefits of incumbents and LSA licensees; the incumbent should be incentivized by the fact that the spectrum ownership will remain intact in the longer term and by the adequate compensation for the sustained sharing efforts in its underutilized spectrum; the LSA licensee motivation will be based on attractive sharing conditions and the timely access to spectrum with supportive economies of scale and at a lower cost, such as the absence of coverage obligations;

Proposed changes to the definition

Based on the above considerations, DIGITALEUROPE would like to offer the following amendments to the definition as proposed by the RSPG in its draft Opinion:

*“A regulatory approach, **based on vertical sharing**, aiming to facilitate the introduction of radiocommunication systems operated by a limited number of licensees under an individual licensing regime in a frequency band already assigned ~~or expected to be assigned~~ to one or more incumbent users. Under the LSA framework, the additional users are **allowed authorised** to use the spectrum (or part of the spectrum) in accordance with the sharing rules included in their rights of use of spectrum, thereby allowing all the authorized users, including incumbents, to provide a certain QoS. **Under LSA, the individual authorisation provides exclusivity among LSA licensees for a specific frequency resource**”.*

ABOUT DIGITALEUROPE

DIGITALEUROPE represents the digital technology industry in Europe. Our members include some of the world's largest IT, telecoms and consumer electronics companies and national associations from every part of Europe. DIGITALEUROPE wants European businesses and citizens to benefit from digital technologies and for Europe to grow, attract and sustain the world's best digital technology companies.

DIGITALEUROPE ensures industry participation in the development and implementation of EU policies. DIGITALEUROPE's members include 57 global corporations and 34 national trade associations from across Europe. In total, 10,000 companies employing two million citizens and generating €1 trillion in revenues. Our website provides further information on our recent news and activities: <http://www.digitaleurope.org>

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