

Alliance TICS response to the public consultation on the draft RSPG opinion on EU spectrum policy implication on the digital dividend

Alliance TICS is an industry association of information and communications technology and service businesses located in France. With a membership of about sixty companies, it brings together companies which are involved in design and/or production of IT and electronic communication equipments, systems and networks. Alliance TICS represents a sector that generates revenues of €27 billion and employs 70,000 people, and as such is a powerful driver of economic growth.

Alliance TICS welcomes the opportunity to respond to the public consultation on the draft RSPG Opinion on EU spectrum policy implication on the digital dividend.

1. Information and Communications Technology and related services (ICTs) are bringing about unprecedented changes in our economy and society

ICTs are revolutionizing industry and society faster than any previous groundbreaking technology, such as printing or electricity.

Their impact is primarily economic:

- ICTs generate one quarter of the growth in France¹ and have a strong impact on all other sectors.
- ICTs differ from other sectors as they have a considerable “knock-on”² effect, generating gains in productivity throughout the economy.
- ICTs boost employment: tens of thousands of jobs have been created directly or indirectly in France thanks to the new business and high value added activities in ICT industry and services.

ICTs also involve considerable social challenges:

- ICTs facilitate people’s daily life and contribute to safety and social cohesion
- ICTs provide the majority of people with access to a broad range of information and entertainment resources.
- ICTs drive cultural and knowledge society development and contribute to multiple forms of cultural and community expression.

¹ Between 1995 and 2000 ICTs accounted for one third of growth in the United States. Source: Report by the Working Group «Macro and micro-economic impact of Information and Communications Technology», prepared for the DGTPE, INSEE and digital Technologies Task Force, and published in 2006.

² The ICT sector has considerable knock-on effects as ICTs boost productivity in the entire economy” Extract of a report by the BIPE commissioned in June 2000 by the DIGTIP.

2. Stakes of digital dividend for EU

Alliance TICS supports the RSPG's view that highlights the strategic stakes of digital dividend, which should be seen as a strong booster of ICTs, for the EU economic performance and societal development.

2.1. Economic impact of digital dividend

Digital dividend will make spectrum available for new services fostering growth, innovation and employment in the EU. Alliance TICS carried out the impact assessment of digital dividend on employment. We estimate that a least 25 000 jobs³ could be generated in France within the next years in the case of a favorable regulatory framework.

2.2. Societal impact of digital dividend

We consider digital dividend as a unique opportunity to provide interactive multimedia services to the most isolated EU citizens with reasonable investment. Because of the propagation characteristics of these frequencies, the systems using UHF band are the best tradeoffs for delivering high performance and affordable services to the remote areas, where other technologies (i.e optical fiber) are far to constitute economically viable alternatives.

For this reason, we see digital dividend as a most important tool for reduction of digital divide, development of territory planning, social inclusion and security of persons.

For these different reasons, we believe that digital dividend should be identified as a strategic tool for the achievement of the European Information Society for growth and employment i-2010 program.

3. Spectrum management

As stated in Alliance TICS' contribution to the review consultation⁴, we believe that a substantial part of the economic benefits are generated by the services providing interoperable and low cost ubiquitous access at specified quality of service levels. Prerequisites for the provision of these characteristics include affordable equipments, low license and spectrum fees, service standardization and access to harmonized spectrum with interference protection.

Thus, Alliance TICS supports the objective to harmonize spectrum of the digital dividend at the European and ITU level. Alliance TICS recommends, in line with its position on the review of the EU Regulatory Framework, that the proposed new spectrum management approach (i.e WAPECS) should be applied carefully in the case of the digital dividend and that harmonization, technology neutrality and service neutrality should be adequately addressed.

³ Without taking into account indirect job creation

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http://europa.eu.int/information_society/policy/ecommm/doc/info_centre/public_consult/review_2/comments/alliance_tics_review_input_271006.pdf

4. Regulatory steps

4.1. On the national level

Alliance TICS encourages Member States to update as soon as possible their regulatory framework so that it could allow analogue television switchoff and frequency re-allocation and brings sufficient visibility to the concerned players.

While anticipating a higher demand for spectrum than the frequencies that could be freed up by the digital dividend, we recommend that the regulatory framework adopted by the Member States :

- should not lead to any premature decision regarding the future use of UHF band, that could hamper the development of innovative services
- should set up an open and transparent process aiming at defining their national plan for digital dividend

Regarding this last point, we propose that the process includes :

- organization of public consultation on national plan for digital dividend
- publication of the frequency needs expressed for the different candidate services
- publication of the criteria that will be used to define the national frequency re-allocation plan (i.e maximization of societal and economic benefits, reduction of digital divide, maximization of spectrum usage, promotion of media pluralism and innovation, evolution of consumer needs, development of ICTs infrastructures, etc..)
- publication of a national plan and roadmap

4.2. On the European level

RSPG proposes that CEPT develops a “[..] *non-mandatory decision at European level to facilitate the use of fixed/mobile applications including uplinks* [..]”.

Alliance TICS supports this recommendation that could ease the harmonization of spectrum use across Europe, which is crucial for :

- Reduction of technical complexity of equipment
- Rapid diffusion of service and equipment, with economy of scale
- Delivery of pan-European services
- Facilitation of access to the market

In addition, we encourage national administration and CEPT to define a time schedule for the renegotiation of the results of RRC-06 required for the identification of a continuous band within the UHF band for bidirectional electronic communication systems. We propose that this renegotiation takes place before 2010, providing to the administrations enough time for the significant re-planning activities that this involves.

4.3. On the international level

Alliance TICS recommends that GE-06 should be complemented, at the WRC-07, by an additional allocation to the fixed / mobile service across the entire UHF band.

Taking into account the rapid evolution of the market needs, we consider that this decision should be adopted as soon as possible and an examination by WRC-10 would be too late.

5. Services candidate for introduction in the UHF band

5.1. Mobile and wireless applications:

Mobile and nomadic communication applications could be introduced in the digital dividend with a harmonized paired band plan (with a separation of at least 45 MHz) to allow bi-directionality.

The development of mobile and wireless applications (3G and 4G, Wimax systems, etc.) is highly dependent on the quantity of frequencies made available. Alliance TICS estimates that at least 120 MHz will be required for these systems for the period 2010-2015. Given current spectrum usage, the allocation of such a quantity of frequencies cannot be envisaged and will only be possible with the analogue television switchoff.

To enable the development of high-speed mobile and wireless applications, Alliance TICS proposes to speed up the analogue television switchoff, so that it is completed by 2010⁵.

5.2. Mobile television

There is substantial demand from consumers for mobile television services providing low-cost access via mobile terminals to television channels with innovative, interactive personalized content. Such services are already highly successful in several regions in the world.

To spur the development of mobile television in Europe, Alliance TICS proposes to speed up the timetable for introducing mobile television, and free up the frequency spectrum to enable coverage of the European territory.

Alliance TICS calls for the rapid adoption of conditions to enable the launch of mobile television services in Europe and the commercial launch of the services before the end of 2007.

It is also extremely important to free up the frequency spectrum to be used by these services. Given the current state of frequency use, it is not possible to envisage making the frequencies available throughout some country, like France⁶, before 2012, which would be 5 years after the introduction of the services. We believe that five years is too long to wait, as coverage is one of the key for mobile users, as illustrated by the GSM experience. Therefore, we encourage the public authorities to make the arrangements necessary to ensure that these services can be made accessible, as early as possible, from all points in the European territory.

As proposed by RSPG in its Opinion on multimedia services, adequate spectrum in the digital dividend should be made available for two multiplexes per country.

⁵ The draft amendment of the law of September 30, 1986 on the freedom of communication proposes setting the deadline for the end of 2011.

⁶ In France, a multiplex will be available on only 30% of population until 2012.

By enabling the rapid and successful introduction of mobile television, we will enable Europe to reap considerable benefits, not only in terms of employment and economic growth, but also in terms of European cultural influence in the world.