

Orange comments to the Radio Spectrum Policy Group consultation on “EU Spectrum Policy Implications of the Digital Dividend”.

12 December 2006

Orange welcomes the opportunity to respond to the Radio Spectrum Policy Group’s consultation on “EU Spectrum Policy Implications of the Digital Dividend”. We believe there to be three critical aspects that the RSPG should take into account in the formulation of any future EU policy on this issue:

1. The growing demand for mobile multimedia services and commensurate spectrum requirements
2. Digital dividend spectrum as an enabler for future mobile multimedia services growth
3. The importance of harmonisation to realise the full potential of the digital dividend

From Orange's perspective this consultation is critical as the digital dividend offers a once in a generation opportunity to radically reshape fundamental imbalances of spectrum allocation to the benefit of consumers, the economy and the society.

Mobile multimedia take-up drives spectrum demand

Mobile multimedia consumption is an increasingly everyday occurrence for Europe’s citizens - Orange is now able to offer its customers access to audiovisual content including a wide range of video clip content and channels via Orange mobile TV and now mobile HD TV. Such growth of multimedia consumption, as recognised by the European Commission in its Lisbon agenda, acts as an economic multiplier with beneficial implications for the economy and society at large. To date, we see that mass market, innovative multimedia services provided by Orange are not only very promising but also require a significant amount of spectrum with nationwide deployment.

Orange believes that such technical and commercial developments need to be fully understood in the context of the digital dividend discussion. The convergence of broadcasting services with mobile services, enabled by future hybrid network configurations, upstream transmissions and technical feasibilities all need to be taken into account. In Orange’s opinion TG4 would appear to be tasked to evaluate the benefits of convergence in the digital dividend context.

Digital Dividend – an opportunity for enabling EU mobile multimedia

As outlined by the RSPG, the ‘digital dividend’ is the spectrum that will be made available as a result of digitising existing analogue television services. De facto, part of the digital dividend has already been realised to increase the number, quality and coverage of TV programs.

Orange strongly believes that, due to obvious attractive spectrum properties of low frequency bands, part of the spectrum released after the digital switchover should be made available for and prioritised to mobile applications such as mobile broadcasting and mobile communications. Because of the efficient coverage properties of low frequency bands, this digital dividend band would significantly ease rural and suburban coverage constraints currently faced by mobile operators and would bridge the digital divide between rural/suburban and urban environments in a cost efficient way bringing an economic and societal value to all European populations. As such the digital dividend should be used to both address current imbalances in spectrum assignments which results in mobile operators (as the leanest and most efficient users of mobile spectrum) being assigned the least amount of valuable UHF and VHF spectrum. Spectrum plans need to reflect the fact that consumers’ demands for radio-based services now extend far beyond traditional

broadcasting and be updated accordingly. As such the digital dividend, if partly assigned to dedicated mobile applications will enable both continuing growth in mobile multimedia and ensure that this growth is not stymied by capacity or coverage constraints.

The importance of a harmonised approach to digital dividend assignment

Although Member States might chose the usage on a national basis according to their needs and objectives, Orange supports the RSPG Opinion that further European activities for harmonisation of the digital dividend would be highly beneficial. Whilst there currently are some accessions towards flexibility¹ regarding the use of the digital dividend, this does not allow an overall efficient use of the 470-862MHz band and uplink notifications in the Plan even after the switch-off of the analogue broadcasting services.

Orange shares the view that harmonising a sub band at European and preferably at global level would facilitate an efficient use of the spectrum for mobile applications. Hence, Orange believes that a European coordinated approach is required and harmonising a sub band for mobile applications (broadcasting and IMT-2000) would improve efficient use of the spectrum. Consequently urgent studies at CEPT level are required to outline the technical benefits of a harmonised sub band (also including uplink) in the 470-862MHz band for the introduction of mobile broadcasting as well as mobile communications such as IMT-2000 from the perspective of for example handset performances, economies of scale and resultant deployment costs and guard bands.

Conclusion

Digitisation of analogue broadcasting services has allowed Europe to ensure that users can access a wider range of higher quality TV programming – as such there has already been a dividend to Europe's consumers. It is important however that Europe's policy makers recognise the legitimate spectrum requirements of other players, including mobile operators. Given the historical inequity of spectrum allocation (with oldest technologies assigned the most valuable spectrum) and the statement from the chairman of the RRC-04, that the digital dividend represents "a unique opportunity" for Europe to more efficiently allocate valuable UHF and VHF frequencies to other players. If this opportunity is not taken, the current growth in demand for mobile voice and multimedia risks being restricted in coverage and capacity if sufficient spectrum (in quality and quantity) is not assigned for mobile use.

Orange would therefore invite the RSPG to recognise the commercial and technical demands of European mobile operators requiring further spectrum allocation and assign a harmonised sub band of the digital dividend spectrum for mobile communications (including uplink) and multimedia applications.

¹ Such as concept of allocation planning, the concept mask, the Plan modification procedures and the Administrative Declaration #42 of the GE-06 Agreement ("At the time of signing the Final Acts of the Regional Radiocommunication Conference for planning of the digital terrestrial broadcasting service in parts of Regions 1 and 3, in the frequency bands 174-230 MHz and 470-862 MHz (Geneva, 2006), the delegations of the above-mentioned countries formally declare that their Administrations may use their digital Plan entries for broadcasting or other terrestrial applications with characteristics that may be different from those appearing in the Plan within the envelope of their digital Plan entries under the provisions of the GE06 Agreement and the Radio Regulations, and that their administrations agree that any such use will be afforded protection to the levels defined by the interfering field strengths as arising from their digital Plan entries, taking into account any relevant bilateral agreements.")

