

Radio Spectrum Policy Group Draft Opinion On EU Spectrum Policy Implications of the digital dividend

Comments by Mediaset S.p.A.

INTRODUCTION

Mediaset welcomes RSPG outline proposal for opening up the discussion on the digital dividend and a more harmonized management of the spectrum in Europe. Mediaset acknowledges that debate hinges on national prerogatives and that the fulfilment of the administrative procedures in the Member States will continue to be part of the operators' commitments.

The opportunity to introduce spectrum trading and a better coordinated approach will facilitate a successful outcome of the digitization of television networks in the European Union.

ITALY

At present, 48.1% of the available primary frequencies is being used by more than 600 local broadcasters. RAI (the public service broadcaster) and Mediaset control, respectively, 25.2% and 17% of the available primary frequencies.

The digital marketplace is well underway in Italy. Spectrum trading, introduced in 2001, allowed both existing operators and new entrants to digitize and develop their networks. Over 75% of Mediaset's own network infrastructure has been digitized with a total investment of € 800 million.

Digitization is not an option, but an obligation for every terrestrial Italian broadcaster. The Italian regulatory framework (Art. 35 of [Resolution 435/01/CONS](#) "Approval of the regulation for digital terrestrial broadcasting") provides that, upon switch-off, digital network operators shall cease broadcasting on frequencies which are no longer necessary for the operation of their networks, as provided by frequency planning. Such provision grants third parties access to the digital dividend. Moreover, the principle of efficient management of radio frequencies is enshrined in article 42.1 of [Decree n° 177/05](#); in line with EC law, art. 42§ 3 establishes that the procedure for the assignment of radio frequencies should in any event be open, objective, transparent, non-discriminatory and proportionate.

In the Italian regulatory framework, frequency trading complements the administrative procedures in force in order to grant the right of use to providers of radio or television broadcast content services: a market-led rationalisation allowing an efficient national aggregation of frequencies exploited in an extremely fragmented market of over 600 local operators.

As pointed out by the RSPG, some Member States indicate a preference for the assignment of the digital dividend to address specific goals (e.g: enhanced broadcasting services and development of multimedia services). In Italy, Law 66/2001 originally set 2006 as the final date for the transition to digital terrestrial transmission. As no spectrum was available to allow neither simulcasting, nor the launch of new digital programming, spectrum trading was identified as the only viable solution to allow the transition to a fully digital environment for the transmission of broadcasting services. Moreover, spectrum trading, introduced by Law n. 66 of 20 March 2001, allowed new players (e.g. H3G and ReteA-L'Espresso Group) to purchase frequencies from existing local operators and to make significant investments in the digitization of their service.

CONCLUSIONS

The planning of radio and TV broadcasting frequencies has traditionally been coordinated at international level. The Member States are the legal negotiating parties in international multilateral fora. Future policies in this area will be aimed at identifying the approach to spectrum management that will most likely encourage investments in ICT and foster interoperability as well as technology neutrality.

Mediaset is confident that the political agreement developed by the European Commission will find full consideration during the next World Radiocommunication Conference to be held in Geneva at the end of 2007.