

ETNO Reflection Document in response to the public consultation on Wireless Access Platforms for Electronic Communications Services (WAPECS)

Executive Summary:

The present regulatory framework for radio spectrum management enabled pan-European development of high quality radio communication services in terms of service availability, network interoperability, free equipment circulation and economies of scale for the benefit for all parties involved, i.e. manufacturers, network operators, service and content providers, and last but not least end customers.

Technological evolutions and increasing convergence of services call for changes in regulation in order to allow fair competition between actors in the domain. Services provided using different means should be submitted to coherent authorisation and charging conditions. Although this is a matter for national regulation, the RSPG should provide a clear lead on these issues.

Moreover, possible changes of the radio spectrum regulatory framework towards more flexibility of use should be evaluated carefully so as to encourage necessary investments and enhance European competitiveness in the global market.

ETNO calls for a smooth transition from the current regime to a more flexible one, in harmony with short, medium and long term market needs, based on experience with concrete cases.

1. Introduction

ETNO represents the voice of 41 of Europe's largest, well established telecoms groups in 34 countries. ETNO members operate numerous radio services over a wide range of the radio spectrum. Therefore, ETNO has a strong interest in radio spectrum management procedures and all related measures and follows with interest the discussions with regard to improving the international spectrum regulatory framework currently taking place in ITU-R, CEPT and within the European Commission.

This RD Position Paper contains general comments under point 2 and the answers to the specific questions asked by the RSPG under point 4.

2. General Comments

Radio spectrum is a finite resource and, therefore, its market forces related management has to be considered carefully. In order to secure the efficient and interference-free use of frequencies and a fair and effective competition, but also facilitating innovative technologies, a forward-looking, non-discriminatory, pro-active spectrum management is necessary. The interests of manufacturers, network operators, frequency users and end customers have to be taken into account.

Before radio spectrum is made available, in particular for new services, the effects on existing telecoms markets and frequency usages have to be carefully analysed. Thus, spectrum management has considerable strategic weight regarding the development of new radio telecommunications markets.

As already stated in previous position papers, ETNO considers that the present regulatory framework for radio spectrum management has enabled the introduction of a range of high quality wireless applications thanks to the designation of harmonised frequency bands for specific services dedicated to the use of specified systems or technologies, and tremendous evolutions in terrestrial and satellite radio communications services (fixed, mobile and broadcasting) have been made possible.

Technology evolutions and growing importance of radio communications call for improvements in radio spectrum management as regards to faster spectrum access and greater flexibility in spectrum usage. However, any significant modification of the current regulatory framework should be carefully considered and highly motivated before action is taken.

Seamless availability of radio communications services in the single European market requires large investments in infrastructure by network operators. These investments are based on the confidence in a fair and stable competition framework facilitating a return on investment.

The WAPECS concept

It is recognised that WAPECS encompasses a broad range of applications which provide mass market communications, most of which are provided by the member organisations of ETNO. Hence we have a major interest in this subject, and the discussions surrounding the regulation of applications, services and technologies.

It is worth mentioning that, while aiming to introduce more flexibility in the use of frequencies for electronic radio communications services, the WAPECS concept would not in itself provide additional spectrum to this growing and important economic sector.

The concept of WAPECS is mainly based on possible future development of convergent applications. Possible regulatory problems associated with the development of convergent applications have been already considered by the ITU-R in relation with the agenda item 1.21 of WRC-2003. At the WRC-2003 it was decided to examine within ITU-R the effectiveness, appropriateness and impact of the Radio Regulations, with respect to the evolution of existing, emerging and future applications, systems and technologies; to identify options for improvements in the Radio Regulations and consider the possibilities to include the subject in the agenda of a future conference. The debate is presently in progress.

Convergent radio applications may already be introduced in frequency bands allocated to relevant services, provided that national regulation does not impose regulatory barriers. For example, converging applications providing fixed and mobile access to customers could be deployed in bands allocated to both fixed and mobile service based on an appropriate technology.

In order to guarantee fair competition, similar regulatory conditions should apply, independently of the technology or service used for the provision of content. In particular, spectrum authorisation delivery and fees should be coherent. This is a matter for national regulations and does not directly impact frequency spectrum regulation and service definitions. Considerations of such issues are already covered by the regulatory framework for electronic communications adopted by the European Union in 2002.

For further steps in the direction of a more integrated scheme for convergent applications, ETNO considers that evolutions should be considered using a pragmatic and progressive approach, based on experience with concrete cases.

Conclusion

Europe has an advantage in global telecommunications as a result of its competitive, well deployed, reliable and high quality networks, allowing for international roaming for mobile and nomadic users. Huge investments will be necessary to further establish and to sustain this infrastructure. Therefore, investors, manufacturers, network operators and service providers need security and clarity concerning planning parameters and regulatory conditions for a reliable business case to develop equipment and to provide services not only for the sake of end customers, but also in the public interest of the economy as a whole.

Document RSPG05-87-rev provides proposals for a possible long term evolution in spectrum management for electronic communications services. ETNO is of the opinion that the practicality of the WAPECS concept for investments, innovations and economic growth will need to be proven by experiences.

The harmonisation of frequency bands is today the basis for pan-European development of radio communication services in terms of service availability, network interoperability, free equipment circulation and economies of scale for all parties involved. However, there is potential for improvement regarding flexibility and spectrum efficiency.

ETNO is of the opinion that the current regulatory framework should be further developed and enhanced towards more flexibility and efficiency. However, any change should be evaluated carefully so as to encourage necessary investments and enhance European competitiveness in the global market.

3. The Public Consultation

Acknowledging the importance of radio spectrum for significant industrial and economic activities and in order to ascertain the views of spectrum users, the RSPG is conducting a public consultation according to article 5 of the Radio Spectrum Policy Group decision, via the RSPG website, on 24 June 2005, with a closing date for comments of 15 September 2005. Comments are to be sent to the RSPG Secretariat (info-rspg@cec.eu.int) and responses will be published on the same web site except otherwise specified by the respondent.

Possible working definition of WAPECS

“Wireless access platforms for electronic communications services (WAPECS) are the platforms used for radio access to electronic communications services, regardless of the bands in which they operate¹, or the technology they use.”

Scope

The purpose of the consultation is to seek the views from all interested parties on the spectrum implications of WAPECS. Views are sought on the following questions:

4. ETNO answers to the questions

Q.1

Do you agree with this operating definition of WAPECS? Do you consider that the WAPECS concept should include spectrum intended for private, as well as public, applications?

Since private and public applications become more and more similar, ETNO believes that it will be hard to distinguish between them in the

¹ Recognising the obligations on Administrations under the ITU Radio Regulations

future. Therefore, ETNO is of the opinion that the WAPECS concept should cover both, public and private applications.

Q.2

Do you consider that the term “platform” should be more closely defined? If so, what definition do you propose?

Generally, the term “platform” is understood as a replacement of the word “technology” or the word “system”. In the context of WAPECS it is proposed that the term “platform” should mean: ***“The radio access network (i.e. infrastructure, interfaces, protocols, etc.) including the associated user terminals.”***

Q.3

What, if any, constraints should there be on the provision of services using spectrum primarily in the broadcast domain?

As defined in the Radio Regulation, Broadcasting is a radio communications service in which the transmissions are intended for direct reception by the general public. However, new broadcasting systems enable transmission towards a restricted target, possibly including interactivity and mobility.

Therefore, the broadcast concept should be considered more flexible and beyond traditional broadcasting in order to accommodate new forms of transmission to multiple recipients, thus enabling other non-traditional broadcasting services access broadcast bands. Harmonising the conditions within the EU for accessing the broadcast spectrum (understood in the wider sense) is highly desirable.

Due to the planned transition from analogue to digital broadcasting, a part of the spectrum presently used for broadcasting might become available for other uses, and in particular, for mobile communications. ETNO believes that it would be highly desirable that this spectrum is harmonised throughout Europe.

Q.4

What specific rules should be introduced or maintained to safeguard the delivery of Services of General Economic Interest in the future? Is it most appropriate to deal with these issues through the regulation of spectrum, or through other instruments such as competition law or state aid policy?

Protecting the provision of services of general interest (SGIs) is a legitimate objective that should not be based on spectrum regulation. There are other means for achieving this: universal service, use of structural funds or state aids for non covered areas, etc. Only if no other less rigid alternative exists to ensure the availability of SGIs, it could be possible to reserve some bands for the provision of such services.

Q.5

How do you think changes in spectrum policy will impact on the requirement for standardisation? What policy will best ensure the timely availability of standards?

Standardisation of wireless equipment and harmonisation of associated frequency bands allowing for roaming are currently closely related issues, establishing the basis for an efficient development of radio communications equipment and innovative applications, and the investments in radio network infrastructure.

Recent studies indicate that in CEPT countries radio frequency spectrum has reached a high level of harmonisation. It is understood that changes in spectrum policy consecutive to evolutions towards a WAPECS single category of service would result in significant departure from this situation and to a gradual disappearance of harmonisation as it is implemented today.

ETNO thinks that such changes should be undertaken carefully to avoid the risk of adverse effects on radio network operations. While a more flexible use of some frequency bands may be needed based on practical experience, reference to Harmonised Standards (under the R&TTE Directive) should be favoured in the foreseeable future. Timely availability of product standards should be ensured based on efficient relations between CEPT and the standards bodies such as ETSI.

Q.6

Are there any other challenges that the RSPG should consider?

The development of convergence requires regulatory clarity for new electronic services. Significant aspects of competition conditions are determined by the national regulation and licensing process. Important differences exist in the conditions which are applied to the broadcasting and telecommunication sector, for example resulting from different national transpositions of the regulatory framework for electronic communications. A coherent authorisation procedure has to be implemented at national level. RSPG could have a reflection on the way to move closer the regulation of these domains. The RSPG should also provide guidance on the issue of property rights related to spectrum use.

Q.7

What is your view on the long term policy goals mentioned above and more specifically on how to achieve the right balance between “minimising and harmonising constraints” presented under point 9?

ETNO agrees with the view that a "Big Bang approach" regarding the regulation of radio spectrum should be avoided. ETNO would favour a pragmatic approach focusing on practical cases to be solved in the near future.

Possibilities for further evolutions should be closely related to the availability of relevant technologies and in the development of smart systems. Introduction of flexibility in the use of frequency bands, while

desirable from operators' point of view should not introduce unacceptable interference to the existing usages in these bands.

ETNO considers that in the near future, it should be preferable to focus on particular issues and frequency bands and consider practical cases where converging situations could be addressed. The following examples could be identified:

- Implementation of 3G in 2G bands.
- Complementary use of 2G-3G and WLAN-WIMAX
- Evolution in the use of the broadcasting band IV/V with the transition from analogue to digital, including consideration of broadcasting towards mobile and development of interactive solutions, and possible designation of a part of the band for mobile communications.
- Convergence of fixed, nomadic and mobile services.

Q.8

Are there any other long term policy goals that the RSPG should consider?

It is well recognised that wireless electronic communications as participating to the knowledge based economy targeted by 2000 Lisbon European Council is a strategic sector of growing economic importance.

The WAPECS concept which is understood to be only a modification or suppression of the demarcation between the different radio services does not address the global need for an increase of spectrum availability. It could be useful that RSPG considers possible solutions to these long term needs like sharing within frequency bands used by government departments (including the emergency services and the military), who are the main spectrum users below 10 GHz.

Q.9

Do you think that these steps form an adequate basis for achievement of the European objectives in this area? Are there any other steps that are required?

As mentioned in the answer to Q.7, any action should focus on practical issues as a way forward. Some relevant cases for which a coherent approach at European level should be implemented can be already identified and are listed.

The involvement of CEPT on technical issues is supported. In addition, regularly consultation with industry is recommended.