

Ericsson Response to the
RADIO SPECTRUM POLICY GROUP
Public consultation on
Wireless Access Platforms for Electronic Communications Services
(WAPECS)

Introduction

Ericsson appreciates the opportunity to provide comments on RSPG's "work in progress" and looks forward to the opportunity to comment on the actual consolidated view of the Member States before it becomes the new EU spectrum management policy.

RESPONSES QUESTION BY QUESTION

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?

A clear definition of WAPECS is needed in order to ensure a stable regulatory framework. Predictability and stability in the regulatory principles are important for the development of radio access systems that provide wide-scale interoperability and for the significant investments needed to deploy such systems and the services they support.

Among the expectations of European citizens are those for widely available interoperable mobile telecommunication services. The WAPECS concept and particularly its definition need to be improved to meet these expectations.

Ericsson believes that there is room for some revision of current spectrum management policies in the EU. Restrictions that unnecessarily hinder the evolution of services and technologies in spectrum bands to which they are licensed clearly does not support the overall policy goals. Such restrictions should be removed when possible without seriously disrupting competition. We would however rather see a smooth development of current rules than a radical change of the regulatory concept.

Q.2 Do you consider that the term “platform” should be more closely defined? If so, what definition do you propose?

The term “platform” is in Ericsson’s view not suitable and could be replaced by “systems”. Furthermore the definition of WAPECS platforms “regardless of ... the technology they use” is not an acceptable starting point for a harmonized internal market.

In international fora industry is already providing a clear technical vision on how content required by the market and corresponding services can be distributed by already available and planned telecommunication systems.

Converging services increase the need for coordination of spectrum allocation in order to achieve roaming and consumer convenience. With respect to public mobile communications the identification of IMT-2000 bands by WRC-2000 initiated a clear regulatory evolution path from GSM via UMTS to 3G+ and beyond. Industry will provide the corresponding technical evolution to follow this path.

Q.3 What, if any, constraints should there be on the provision of services using spectrum primarily in the broadcast domain?

Equitable spectrum access conditions should apply to market players offering competing services.

The on-going spectrum re-planning process will release significant amounts of spectrum currently in the broadcast domain due to the higher efficiency of digital broadcast technologies. The released spectrum could be used e.g. for the extension of coverage of 3G networks. Ericsson therefore supports the inclusion of broadcast spectrum within the definition of WAPECS. We also support the identification of the digital dividend for IMT-2000/UMTS and the harmonisation of this spectrum on a global basis.

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?

Ericsson considers the definition of SGEI unclear. Its relationship to Universal Service requirements should be clarified. Spectrum policy should not be the tool to achieve societal goals. In this context Ericsson would like to point out that unique spectrum allocations for specific applications in the SGEI area are becoming less relevant as capabilities of commercial communications systems have increased. Public mobile communications systems are today capable of providing services to closed user groups and with high levels of security previously requiring special systems.

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?

A spectrum policy that promotes harmonization in spectrum allocation and use will ensure the development of standards in recognized open standards organizations and the deployment of equipment and services conforming to these.

A policy that demotes the importance of spectrum harmonization will in general lead to more proprietary non-standardized solutions being introduced.

The impact of harmonisation is not solely limited to the availability of standards. Harmonisation is important for the availability of equipment on the market in due time, and at a sufficiently acceptable price, for the customer. Harmonisation ensures the necessary economies of scale to see a reduction in prices for networks and end user equipment.

Q.6 Are there any other challenges that the RSPG should consider?

Important differences today exist in the regulations that are applied to different services, for example within the broadcasting and telecommunication sectors. The RSPG should reflect on and develop an opinion on the options that are available when considering changing the regulation of historically separate domains.

However regulations may change, WAPECS should not impose a revolutionary change in the regulatory framework across the EU but should adopt an evolutionary approach to changing the legal framework, which takes into account the legacy issues arising from the fact that, currently, fixed, mobile and broadcasting networks remain very distinct in terms of investment levels and ongoing costs. Long term and significant investments have been made by many industry sectors, including the mobile communications sector, and this necessitates a sufficiently long transition period and evolutionary approach to be taken. The investment profile for the establishment and operation of a mobile system is very different from the provision of IP access bridges.

From a technical perspective, the RSPG should also consider the interference and compatibility issues related to technology neutrality, on which the WAPECS concept is predicated. The RSPG should also provide guidance on the issue of property rights relating to spectrum use, and how these rights might be affected by the introduction of technologies such as Ultra Wide Band (UWB), which appears to have been excluded from consideration within the WAPECS concept. UWB technologies run counter to the traditional method of spectrum management through the division of spectrum usage rights (i.e. licences) by frequency and the

WAPECS concept appears to exclude this issue since it is based on frequency allocations.

Another challenge is to create a comprehensive spectrum information system. The solution may be to enhance the EFIS data base with information about operator and country specific licensing conditions like validity period and area, power limits, interference conditions, etc.

A further challenge is to create a fair and effective mechanism to recall spectrum licences when the licensee does not fulfil their obligations and the spectrum lies fallow.

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?

Ericsson believes that harmonisation should remain the main objective of spectrum management for the foreseeable future. Introduction of flexibility in the use of frequency bands should not jeopardize the harmonisation of frequency bands.

Ericsson agrees that the long-term policy goal should be towards converged and coherent spectrum regulation, but questions the conclusion that this would require full technological neutrality and service neutrality.

Harmonization is beneficial not only for interoperability and roaming but also as a main driver for economies of scale necessary to provide radio-based communications services to a wider mass market. Harmonization facilitates the development of industry standards for technical interoperability and spectrum use that drive competition through the creation of large competitive markets. The market certainty provided by spectrum harmonization and associated technical standardization is necessary for technologies with long development cycles and long-term investment needs. This being said, good spectrum policy should provide spectrum access also to other applications with different characteristics. One solution is not suitable for all spectrum bands.

While choice in technology implementation will enhance competition, too much emphasis on technology neutrality could harm competition in both services and radio terminals. The reason for this is that competition is stimulated by consumers being able to change hardware or service provider independently. Proliferation of incompatible technologies will frustrate this, as services become linked to specific standards.

The spectrum compatibility between different technologies should be ascertained through relevant studies in international organizations open to industry

participation recognizing that the introduction of new technologies into a spectrum band may change the conditions for already existing users.

Ericsson does not support the view that the current regulatory approach lacks flexibility and discourages innovation. The degree of innovations made in the development of European mobile communications – GSM, EDGE, GPRS, UMTS/IMT-2000 – has been and is an enormous achievement by European industry. It has been facilitated by the clarity, timeliness and stability of European regulations. Lately, the innovations have been focused on IMT-2000 and its evolution. This has also released the innovative power among smaller European companies in the component, services and applications industries.

Q.8 Are there any other long term policy goals that the RSPG should consider?

It is well recognized that wireless electronic communications contribute to the knowledge based economy targeted by the 2000 Lisbon European Council, and that high speed wireless applications are a strategic sector of growing economic importance as identified in i2010, the strategic framework for the European Information Society. WAPECS appears to focus on differences between commercial services and does not specifically address the global need for an increase of spectrum available for commercial services. It could be valuable for RSPG to discuss the sharing with or transfer of spectrum from governmental agencies.

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?

The “implementation packages” referred to in point 10 of the consultation are undefined. Once defined they should be available for public comments.

The actions should not only serve to facilitate a refinement of the European spectrum regulatory regime, possibly in the form of WAPECS, but should also protect the further development and evolution of existing radio communications services and systems that today contribute to European cohesion and the internal market.

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