

ANIEL ANSWERS TO THE RSPG CONSULTATION IN THE CONTEXT OF THE DEVELOPMENT OF A RSPG OPINION ON THE SPECTRUM IMPLICATIONS OF SWITCHOVER TO DIGITAL BROADCASTING

1. How can co-ordination between Member States on spectrum management, at bilateral and EU level, contribute to a quick and efficient switchover?

In terms of strictly spectral planning, a co-ordination between Members States should suppose a more effective switchover organization and election of the switch-off date, since the continuity of the analogue services in a country can restrict the use of frequencies in another one.

However, there also are important market reasons for a co-ordinated public Pan-European intervention. Basically, this coordination would have to try to harmonize to the maximum the development of the terrestrial digital television, assuring the creation of a sufficient critical mass so that the market can be developed in a environment of total competitiveness.

2. In particular, what would be the added value from EU co-ordination ahead of the Regional Radio Conference starting in 2004 and other international negotiations?

In the present global market, any harmonization beyond the European borders will help to a faster development of the market. On the one hand, it would be interesting to implement common technologies as far as possible, preserving always the free competition. On the other hand, it exists the possibility of harmonizing the schedule of the digitalisation between the different countries. There are political and economic reasons in the different states that make this harmonization a complex task. Within the European Union, it is possible to advance in this direction. A successful experience on European-basis would generate a valid international experience.

3. Are greater transparency and technological neutrality of spectrum assignment, notably through valuation and market tools, instrumental to switchover?

The recent experiences in the assessment of the spectrum (3G services) have not proved so far its contribution to the sustainable development of a new service in a better way than other administrative methods for the awarding of spectrum licenses. Additionally, they have evidenced the existing difficulty at the time of quantifying the value of the spectrum regarding the different countries.

Likewise, in the specific case of the terrestrial television, considered as a general interest service and considering the spectrum as a public good, the market mechanisms to assess economically the spectrum are of doubtful application since the protection of the general interest could not be assured. Trading of the spectrum could cost the disappearance of some services of general interest that do not allow to obtain an economic profitability and, on the other hand, an increase in the consuming prices is foreseeable, and this increase could prevent the implementation of the new services.

In addition, not only for the development of the new services which the digitalisation of the terrestrial television allows, but also for the development of the own terrestrial digital television, it is necessary a stable and coherent frame with the existing and foreseeable business models in the half term.

4. What will be the “spectrum dividend” from switch-off, and how should this be allocated to specific services?

At first, during the transition phase, it will not be released spectral capacity due to the necessity to maintain simultaneously the digital and analogical emissions, even considering solely stationary reception.

On the other hand, the consumers demand to enjoy an extended supply of contents via terrestrial television similar to which can be enjoyed in cable networks, for example. The existing perception in all Europe of the terrestrial television like a broadcasting public interest service and basically free must be considered. This extended supply demand is not satisfied at the moment with the terrestrial analogical television due to lack of spectrum. In order to be able to broadcast terrestrial digital television with a competitive supply of contents and with a population range similar to the present one, it will be required the same spectral bandwidth than the existing one.

Likewise, if we consider the spectral planning necessary to optimize the new services that will be developed from the terrestrial digital broadcasting aimed to portable, movable and personal terminals (so far, the first receivers based on standard DVB-H are being developed), the conclusion is that it not likely to be released spectral capacity as a result of the switch-off.

5. Does convergence require more flexible allocation mechanisms than traditional ones, which tightly link frequency bands and individual communication services according to ex ante decisions?

The convergence between the communication services that allow to develop the Information Society is possible due to the convergence of the digital technologies that supports them in broadcasting as well as telecommunications or information technologies areas. For this reason, the market itself will allow mixed services on the basis of the flexibility that the digital technology allows. On this way, they are being developed hybrid technologies that, based on the collaboration between the different network operators, will allow to respond in a faster way to the market necessities.

To sum up, the development of convergent services requires a flexibility that will be driven much more by sinergias between the different technologies, rather than making more flexible the mechanisms of frequencies allocation, wich will have likely longer response times and will require also permanent adjustments.