

Public consultation on the draft RSPG Opinion on the Digital Dividend
Opinion of Sonaecom – Serviços de Comunicações, SA

I. Introduction

Sonaecom believes that the Digital Dividend has a strategic importance for the future of electronic communications, in particular, for mobile services.

Considering the quantity and the technical characteristics of digital dividend spectrum should be faced as an opportunity for Europe reinforce its leadership on mobile electronic communications. However the expected positive impact of digital dividend requires a common approach across Europe. In Sonaecom's view the European Commission can play a decisive role on achieving this common approach.

Thus, Sonaecom welcomes the initiatives that have been carried out by EC and this opportunity to contribute with its comments to the proposal presented by RSPG. These comments, without surprise are in line, with the ones Sonaecom sent in May to ICP-ANACOM's following the Portuguese regulator's public consultation on the digital dividend last month.

II. Comments on significant issues

1. Range of services

The allocation of spectrum from 800 MHz band will allow the development of existing services and technologies and, very important, to support and foster the development of new services and new technologies, namely, LTE - Long Term Evolution.

Sonaecom considers as particularly relevant the allocation of these frequencies to mobile broadband. This opinion is justified, not only by the high adherence to mobile broadband services, as well as by these services' potential to complement or substitute fixed broadband, particularly in rural areas.

RSPG recommends that the WAPECS principles of technology and service neutrality should be applied to the 800 MHz band while recognizing that Member States may maintain broadcasting use in all portion of the band.

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Regarding technology neutrality, Sonaecom understands that frequencies awarding should always follow this criteria, restricted to the guarantee of the protection of adjacent bands, so as a clear definition in terms of “*masks for spectrum*” (BEM - Block Edge Mask), since contributes for an efficient use of spectrum.

By other hand, service neutrality must be analyzed with precaution. From a technical point of view service neutrality is unadvised if implemented at bands adjacent to broadcasting services, since it can result in interferences and spectral inefficiency.

2. Benefits of coordination

The merits of a coordinated use of the 800 MHz are undeniable. Sonaecom sustains RPSG affirmation that “*there are economies of scale to be realised for industry and benefits for society in Member States cooperate on issues such as making available similar frequency ranges, channeling arrangements and technical conditions*”.

In a perspective of mobile services, it is particularly relevant the harmonization of the sub-band of 790-862 MHz, because it was the only sub-band identified for IMT-2000 systems at the region 1 in WRC07.

Sonaecom understands that the European Commission should play an active role promoting the spectrum harmonization since this could maximize the value of spectrum to be released, specifically, for those frequencies allocated to IMT-2000 systems.

Although ensuring the maintenance of powers and rights from every Member State regarding to spectrum management, Sonaecom considers that the harmonization of the frequencies, in particular, those associated with mobile services is the best option. In this context, the Commission and other community institutions whose field of action includes the spectrum, should act in order to effectively achieve harmonization of the spectrum that will result from the Digital Dividend.

It should not be forgotten that one of the factors for the success of mobile communications in Europe has been precisely the frequencies' harmonization. In the verge of a decisive phase in the evolution of mobile networks, it can't be ignored and abandoned a key factor that has sustained the success achieved.

A number of countries (like France, Sweden, Finland, UK and Germany) have already stated that they will make the sub-band 790-862 MHz for mobile broadband. It is important that mobile operators from other member states, namely from smaller countries, have spectrum in the same bands in order to benefit from economies of scale since they have not the necessary conditions to incentive equipment vendors to develop equipments in a specific band for a small country.

3. Timeframes for making available the digital dividend in the 800 MHz band

Beyond the harmonization in terms of frequencies to allocate to mobile services, Sonaecom states the importance of ensuring that the conditions, including time (and economics), are known as soon as possible in all Member States. Despite we know that it will not be possible to ensure that the frequencies will be available at same time because of different dates for analogical switch off and other national specific conditions that must be addressed first, it is very important for mobile operators to know as soon as possible what spectrum will be available, in which date and in what conditions. Such is precious information for taking optimal decisions about the investment on mobile services evolution, in particular, the evolution to LTE.

4. International frequency coordination

Border coordination is a crucial issue for the success of digital dividend allocation across Europe. Beyond mobile services the sub-band 790-862 MHz may also be allocated to other services, for instance broadcasting, which makes border coordination even more complex.

Thus, if the correct and timely safeguards for the use of spectrum in border areas are not assured the decisions taken unilaterally by one Member State may compromise definitively the options available to other neighbors' Member States regarding the use of the digital dividend. Of course it is a matter of concern for Sonaecom.

Studies mandated by the Commission, namely carried by CEPT, on border coordination will be of crucial relevance. Sonaecom believes that, based on these technical studies, it could be very helpful to have also the Commission guidance on border coordination.

5. Cost of clearing 800 MHz band

Regarding the cost of clearing 800 MHz band, it is important to note that the entities to which such frequencies will be allocated should not be penalized with such costs since it would

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diminish its capabilities to make investment and to bring the expected benefits from digital dividend to the consumers.

The process of clearing 800 MHz frequency should be carefully analyzed in order to minimize the cost. Moreover, when a cost is found the Government should consider support it according to the single market rules, perhaps, with some financial support from communitarian program for this specific purpose.

Sonaecom fully agrees that the exchange of information between Member States is very positive and contributes to strengthen the internal market as well as boosts the European market of electronic communications services.