

Telefónica response to the RSPG work programme for 2022 and beyond

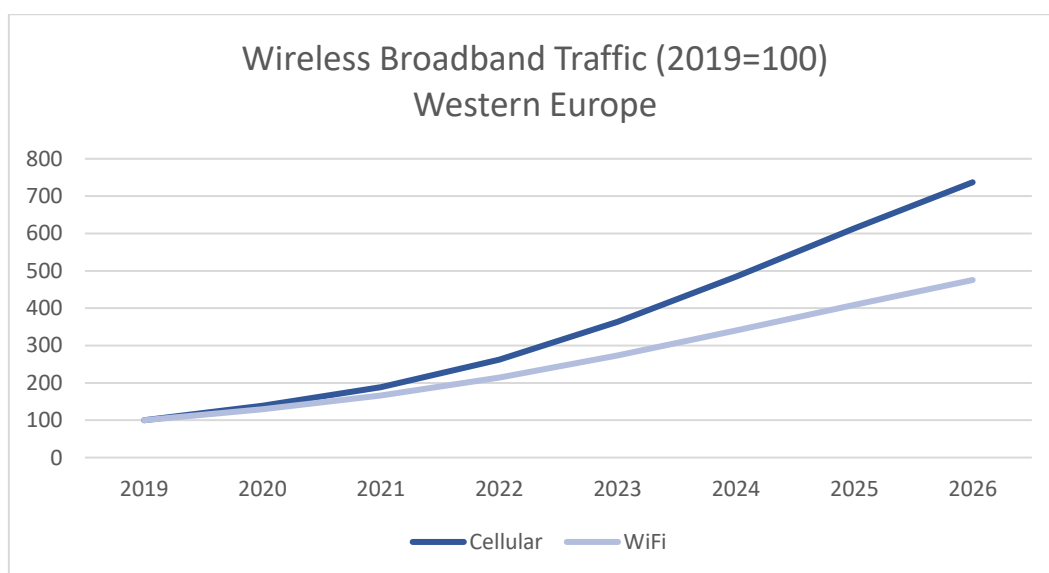
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European leaders have grand digitalisation ambitions for the businesses and citizens of our region, crystallised in the Digital Decade targets and Policy Path. Telefónica fully shares those bold objectives, and is already committing large resources to provide the connectivity that is required to turn them into reality. We also recognise the role of RSPG laying the foundations for this collective endeavour, ensuring there is no artificial shortage of spectrum and building a licensing framework that fosters efficient and sustainable investment.

We therefore welcome the opportunity to provide input to the draft RSPG work programme for 2022 and beyond, and hope our views can be incorporated into the final text.

Identifying incremental spectrum for wireless broadband

Digitalisation puts large pressure on Telefónica and other telecommunications operators to enhance the capacity of radio networks across all environments, from rural towns and open roads to dense cities and industrial campuses, both indoors and outdoors. Quantifying expected demand is not easy in a context of high growth and uncertainty about the concrete applications that end users will value most, but Analysys Mason, for example, forecasts that cellular broadband traffic will multiply by seven, and WiFi traffic will multiply by five, between 2019 and 2026 (see graph below).



Source: Analysys Mason

The increase in spectrum available for wireless broadband has a large influence on the level of investment required to meet the connectivity requirements of digitalisation, and ultimately the QoS that end-users experience. In a context of flat retail revenues and weak investor sentiment towards the telco sector, artificial scarcity of spectrum would surely hinder upgrades in network capacity

and negatively impact consumers. It is extremely important, in our view, that the working plan of RSPG dedicates sufficient attention and resources to try to prevent it. Coordination between the different work items identified by RSPG will be key, and we see in particular a need for the **Digital Decade 2030** workstream to identify potential spectrum shortages, and adequately provide input to the **WRC 23** and **UHF** work items.

Incremental low band spectrum still has large intrinsic value for mobile deployments, given its long range and good indoor penetration, and Telefónica particularly welcomes the newly created work item on the **future use of the 470-694 MHz band beyond 2030**. We agree with the RSPG that one of the main areas in the scope of the working group should be a scenario analysis, including demand trends in both incumbent and potential new services. However, we think it is equally important to take steps to ensure that Europe keeps its options open, and is ready to eventually do a swift transition in 2030 should the introduction of mobile services in the band prove to be the most valuable alternative for end users, at least in some markets where DTT usage is low. We are concerned in this respect about the emphasis put in the draft working plan on the independence between the WRC 23 and UHF work items. A co-primary allocation in the WRC 23 is key to prevent prematurely foreclosing potential new services. Many existing licences in 800 MHz and 900 MHz are set to expire between 2025 and 2030, and expectations about future incremental availability in UHF, which will largely be built through global harmonisation in ITU, will have a large influence in the re-assignment processes. We therefore suggest that RSPG establishes appropriate interfaces between the two work items, so that the discussions of the UHF group can be an input to the WRC 23 position.

In mid-band spectrum, three in principle competing alternatives (licensed spectrum for use by RLANs, licensed spectrum for use by wide area mobile networks, and unlicensed spectrum for use by RLANs) vie to have access to 1100 MHz incremental frequencies in the 3800-4200 MHz and 6425-7125 MHz bands. EU harmonisation of these bands is critical, as they represent the largest source of incremental mid-band frequencies for wireless broadband deployments. We encourage RSPG to include this relevant topic in its working plan and look at mid-band spectrum for wireless broadband in a holistic way, rather than on a band-per-band basis. To the largest possible extent, technology neutral assignment processes and least restrictive technical constraints on the use of the bands should be fostered. If a new work item is not feasible, an alternative would be for the **Digital Decade 2030** working group to identify the options that would be more aligned with the Digital Decade targets, and provide appropriate input to the **WRC 23** working group.