Towards a European policy on radio spectrum

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PURPOSE: Commission Communication on a market based approach to spectrum management in the European Union.

CONTENT: modern society puts ever increasing demands on radio frequencies – from mobile telephony and wireless internet access to TV broadcasting. The traditional approach to solving competing demands for frequencies has been based on planning who has the right to use the spectrum and how. Yet, spectrum management has not kept pace with the demands of new technology. This gives rise to the risk that, without change, the traditional approach will prevent society from reaping the benefits of this new dynamic environment. It also risks Europe turning into a user of technology developed elsewhere, rather than being an innovator of wireless applications. One response is to use a market-based model allowing more freedom to market players to decide how spectrum should be used and by lowering the barriers for access to spectrum rights by trading those rights.

It is against this background, and on the basis of an extensive public debate, that the Commission is proposing co-ordinated new spectrum markets across the EU. This proposal forms a wider strategy for the efficient management of spectrum as envisaged in the i2010 initiatives.

The primary aim of the Communication is to seek political agreement, at an EU level, on the broad objective of establishing spectrum markets by 2010. To achieve this the Commission intends to develop the following key features:

Tradability

- the right to trade individual rights to use frequencies in a defined set of spectrum bands for electronic communication services;

- the definition of a process for including bands in tradability;

- the development of an initial selection of bands.

Technology neutrality

- defining technological neutrality and establishing the least restrictive limitations possible.

Service neutrality

- defining the specific conditions of service provision that may, in future, be associated with the use of bands.

Spectrum rights

- approximating spectrum rights. A common format will need to be followed based on common definition on the freedom of users to utilise and trade their rights.

Transparency

- offering access to information on spectrum markets, including information on allocation and assigned spectrum rights (through national registries). Information must be provided uniformly via an EU-wide one-stop portal.

Measures related to tradability, technological neutrality and service neutrality will be included in the review of the regulatory framework, to begin in mid-2006. The legislative process has to be accompanied by impact assessments and an active dialogue with the Member States. This approach allows for the practical implementation of trading, whilst avoiding costly delays and fragmentation. Where necessary, the Commission may also issue recommendations. Co-ordination groups should be established as soon as possible to work on the key aspects identified in this Report.

To conclude, a reform of the EU's spectrum management policy is crucial. It introduces a market-based approach to spectrum distribution. Not only is this feasible, it is also timely and beneficial. The Commission, therefore, invites the European Parliament and the Council of Ministers to endorse the approach outlined in this Communication.