Basic information

2006/2212(INI) INI - Own-initiative procedure	Procedure completed
Towards a European policy on radio spectrum **Subject** 3.30.04 Radiocommunications, broadcasting	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ITRE Industry, Research and Energy	HALL Fiona (ALDE)	30/05/2006

Committee for opinion	Rapporteur for opinion	Appointed
IMCO Internal Market and Consumer Protection	RÜHLE Heide (Verts/ALE)	13/09/2006
CULT Culture and Education	HIERONYMI Ruth (PPE-DE)	28/08/2006

European Commission

Commission DG	Commissioner
Communications Networks, Content and Technology	REDING Viviane

Key events

Date	Event	Reference	Summary
14/09/2005	Non-legislative basic document published	COM(2005)0400	Summary
07/09/2006	Committee referral announced in Parliament		
11/12/2006	Vote in committee		
18/12/2006	Committee report tabled for plenary	A6-0467/2006	
13/02/2007	Debate in Parliament		
14/02/2007	Decision by Parliament	T6-0041/2007	Summary
14/02/2007	Results of vote in Parliament		
14/02/2007	End of procedure in Parliament		

Technical information	
Procedure reference	2006/2212(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 55
Stage reached in procedure	Procedure completed
Committee dossier	ITRE/6/37236

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE378.599	13/10/2006	
Amendments tabled in committee		PE380.870	21/11/2006	
Committee opinion	CULT	PE378.620	28/11/2006	
Committee opinion	IMCO	PE378.885	29/11/2006	
Committee report tabled for plenary, single reading		A6-0467/2006	18/12/2006	
Text adopted by Parliament, single reading		T6-0041/2007	14/02/2007	Summary

European Commission

Document type	Reference	Date	Summary
Document attached to the procedure	COM(2005)0411	06/09/2005	Summary
Non-legislative basic document	COM(2005)0400	14/09/2005	Summary
Document attached to the procedure	COM(2005)0461	29/09/2005	Summary

Towards a European policy on radio spectrum

2006/2212(INI) - 29/09/2005 - Document attached to the procedure

PURPOSE: to present the EU's priorities on radio spectrum availability.

BACKGROUND: current radio and TV broadcasting frequencies have been co-ordinated through the "Regional Agreement for the European Broadcasting Area", which was agreed upon in Stockholm, 1961. In 2004, the Telecommunications Union (ITU) set up the Regional Radiocommunication Conference (RRC) in order to plan new terrestrial digital broadcasting frequencies to coincide with the switch over to new terrestrial digital broadcasting frequencies (174-230 MHz and 470-862 MHz). The new plan will apply to Europe (including the Russian Federation), Africa and parts of the Middle East. Ultimately, it will replace the 1961 Stockholm plan.

When analogue TV broadcasting is switched to digital transmission (same image resolution and size, same number of channels etc.), then three to six times less radio spectrum will be needed. This means that some 300 to 375 MHz of the current amount allocated to terrestrial broadcasting could be freed up for other use. At the end of the switchover process a considerable amount of "unused" spectrum will become available, referred to as the "spectrum dividend".

CONTENT: in this Communication, the Commission considers what the EU's approach towards the spectrum dividend should be and how it should present this approach at the RRC-06. It seems increasingly likely that the switch-off date for analogue TV broadcasting will be 2012. The Commission is, therefore, seeking a debate now on how to make the best use of the spectrum dividend. In order to address these issues, the Communication addresses the following:

1) A European perspective on the future use of the spectrum dividend: The Commission calls on the Member States to launch a debate on how best to use the spectrum dividend. The debate must take account of proposals from the Radio Spectrum Policy Group (RSPG) and the need to secure the single market for equipment and services.

2) A consistent regulatory approach to the spectrum dividend: The Commission, together with the Member States, should ensure that the regulatory treatment to be given to the spectrum dividend complies with the EU framework for electronic communication services. It calls on the Member States to apply this consistently across the EU.

3)The advantages of securing EU- wide harmonisation for parts of the dividend: The Communication states that part of the spectrum dividend should be earmarked for EU-wide harmonisation. According to the report it is, as yet, too early to predict or specify the exact amount needed. Nor is it possible, at this stage, to predict which services should be operated in the harmonised band. However, it is important to begin the process of debate and reflection across the EU now. The Commission, together with the Member States, should begin by:

- assessing the benefits, and the feasibility, of harmonising some of the frequency bands of the spectrum dividend;
- analysing the key characteristics of such harmonised bands; and
- developing a common strategy to support the objective of a harmonised dividend.

4) The need for a future-proof approach to RRC band planning: The Commission wishes to see future RRC planning offering sufficient technical flexibility to cope with a wide variety of future broadcasting services and to allow for the alternative use of the same spectrum by other technologies and services. It, therefore, calls on the Member States to perform a review of the technical bases of the RRC planning in order to identify unnecessary restrictive requirements, which could otherwise undermine the principles of flexibility and technology neutrality.

5) Supporting a short transition period: The Commission calls on the Member States to adopt a common position in the RRC negotiations in order to ensure that the end of the transition period, namely the end of the general legal protection of analogue channels, will take place a the earliest proposed date – as close as possible to 2012.

The Commission concludes by stating that the switch over to digital broadcasting is as much a political issue as it is a technical one. Technical decisions taken at RRC-06 will undoubtedly influence the transition process towards digital broadcasting. The Commission, therefore, calls on the Member States to maximise their "negotiating" weight by adopting common positions and common negotiating strategies whenever possible. The Commission calls for the political support of the Council and of the European Parliament to achieve the goals set out in this Communication.

Towards a European policy on radio spectrum

2006/2212(INI) - 14/02/2007 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution based on the own-initiative report drafted by Fiona **HALL** (ALDE, UK) on the Commission Communication entitled 'A market-based approach to spectrum management in the European Union'. It felt that the efficient use of spectrum was critical in ensuring access to spectrum for the various interested parties who want to offer services, and was therefore a key factor in the growth, productivity and development of European industry in accordance with the Lisbon Strategy. Spectrum shortage had been an obstacle to the deployment of new services.

Bearing this in mind, Parliament felt that the EU needed to adopt a sustainable approach to spectrum which would promote competition and the development of innovative technologies, inhibit the hoarding of frequency rights and the aggregation of monopolies and benefit consumers. This approach should take into consideration technological change as well as the needs of market players and of citizens. An unlicensed model, tradable rights and standards regarding service and technology neutrality, within a very clear framework, are the key principals for a future European policy on radio spectrum.

Part of the current problem is that the regimes for assigning spectrum to interested parties differ from Member State to Member State. This divergence can cause additional delays and costs. The EU will require efficient guidelines for common decision-making mechanisms and, furthermore, a European register will be needed with the completion, expansion and accessibility of the EFIS database. Member States are called upon to support enhanced cooperation measures between spectrum management authorities.

Parliament rejected a one-sided market model of spectrum management. It urged the Commission to reform the system of spectrum management in such a way as to facilitate the coexistence of different types of licensing models, i.e. traditional administration, use without numerical restrictions and new, market-based approaches. The aim must be to boost economic and technical efficiency as well as the usefulness to society of this valuable resource. Parliament stressed the general principles of technological neutrality together with service neutrality in order to promote competition and innovation, within the context of the Lisbon Strategy. Spectrum management should not be based only on a market-driven approach but also needed to take into account wider social, cultural and political considerations. However, audiovisual policy, the promotion of cultural and linguistic diversity and the pluralism of the media may justify exceptions from the principle of service neutrality.

Members welcomed the Commission's proposal to adopt differentiated spectrum management models including the unlicensed model which provided additional flexibility by allowing for free access within some technical limitations. Developing the right mix between the different types of licensing model

will be important in achieving EU policy objectives. However, the freeing up of spectrum raises a number of issues for existing users and therefore needs to take place within a very clear legal framework.

Given the scarcity of the resource, adequate amounts of spectrum should be allocated to meet the needs of consumers and of services of public and general interest, including broadcasting services. Member States were urged to take a decision on the priority to be given to the protection of the public interest and of frequencies of strategic importance as a key principle in developing spectrum management policies.

Parliament recognised spectrum efficiency as a common duty of Member States, national regulators and industry. It insisted on the necessity of securing the stability and continuity of the media services provided by broadcasters, but emphasised the importance of a level playing field for new entrants and for new technologies. Room for innovation must be guaranteed, in the interest of consumers, enterprises and employment generally.

It considered that the introduction of a market-based approach to spectrum would be most effective if based on a consensual agreement backed by regulators, operators and other actors. Besides the market-based approach, attention should also be given to ensuring access to the spectrum market for everyone. In order to guarantee such access, information, knowledge and technological infrastructure should be provided via education or alternative training opportunities.

The freeing-up of spectrum raised a number of issues for existing users. Parliament called, therefore, for a clear legal framework providing for competition-based solutions and defining, inter alia, conditions for entry and exit, the maintenance of spectrum rights, responsibilities with regard to interference and dispute resolution mechanisms.

Towards a European policy on radio spectrum

2006/2212(INI) - 06/09/2005 - Document attached to the procedure

PURPOSE: the Commission's second report on activities undertaken under the Radio Spectrum Decision.

BACKGROUND: radio spectrum acts as a key resource for many essential services including: mobile telephony; wireless and satellite communication; TV and radio broadcasting; transport; radio location (GPS/Galileo); alarms; remote controls; hearing aids; microphones; medical equipment etc. It also supports public service activities such as defence, security, meteorology and space research.

Given the far reaching applications of radio spectrum, its management has a strong cross-border dimension. Avoiding harmful interference between countries is of vital importance, hence the need to forge a co-ordinated spectrum policy in the EU which aims to enhance a genuine single market for radio services and equipment. The Commission's radio spectrum policy is centred on two main policy objectives. Firstly, to lower barriers and to improve efficiency. Secondly, to allow for convergence by removing artificial restriction most notably between broadcasting and mobile communications.

CONTENT: this report sets out the Commission's strategy for a coherent EU radio spectrum policy. It sets out the need for a gradual, but systematic, liberalisation of radio spectrum. It is the Commission's second report on activities undertaken under Decision 676/2002/EC *on a regulatory framework for radio spectrum policy in the European Community*, referred to as the Radio Spectrum Decision. (For a summary of the Decision refer to COD/2000/0187). The report presents a consolidated view of on-going actions and future challenges for an EU-based spectrum policy within a broader policy context.

The EU Member States have already acknowledged the importance of a common EU policy in this area. They are also agreed on the long-term need for a policy based approach. Indeed, high level discussions have already been taking place on the need to introduce spectrum markets and the need to transfer away from analogue television to digital applications.

How radio spectrum policies contribute towards achieving the Lisbon objectives:

The importance of a co-ordinated radio spectrum policy is best highlighted by the mobile communications sector. In the eighties, mobile communications was a small, fragmented market. The EU's timely provision of harmonised frequencies, however, triggered the development of a new pan-European digital cellular system (GSM). Competition was also introduced via new licences and the EU supported RT&D activities in the mobile communications sector. This coherent approach resulted in the emergence of an industry which generates a GDP contribution to the EU-15 of EUR 105.6 billion. The mobile services industry is estimated to have created 2.8 million jobs in the EU-15. According to current trends it will soon overtake that agricultural sector in terms of turnover. It will also have a higher turn over than the electricity, gas and water industries put together.

Towards a coherent EU spectrum policy:

The report notes that the Member States have the same overall aim for the management of radio spectrum – i.e. the optimised use of this natural assets for the greater good of society. Conflicting interests can, however, hamper this aim. The Commission is convinced that effective spectrum reform will lead to significant gains for Europe. It calls on those Member States currently enacting ambitious reforms in spectrum policies to consider the EU perspective and to thereby avoid the risk of undue fragmentation. The report notes that the "level-playing field" for widespread technology uptake exists in the USA, Japan and (in the future) China and India. This same level playing field is often missing in the EU and the market risks becoming too fragmented. In other words, Europe needs to develop a genuine EU single market for radio-based equipment. Services must be underpinned by a common policy and a common regulatory approach.

The way forward:

The Commission intends to improve the effectiveness of radio spectrum by using a coherent toolbox of concrete actions that can be used together with the Member States. It will begin be establishing a set of common definitions backed up with clear and flexible rules. A common set of rules will provide predictability for investors and a borderless functionality of equipment for users.

In a further step the Commission proposes implementing a flexible use of spectrum. For example, it intends to introduce spectrum markets by 2010. It has also set out its vision on what to do with the expected spectrum dividend following the switch over to digital television (see also summary of COM /2005/0461).

For the next reporting period, the following initiatives are foreseen:

- Supporting the uptake of broad band through 3G mobile communication; the Broadband Wireless Access technologies; and hybrid satellite 3G/data-broadcasgin applications.
- Ultra-wideband-enable products: allowing for an EU-wide mass-market of low-cost radio equipment to develop.
- Technologies for independent living and health – e.g. alarms for the elderly and radio telemetry between patients and monitoring equipment.
- The intelligent car which can interact with its environment by radio means through inter-vehicle communications (IVC).

Towards a European policy on radio spectrum

2006/2212(INI) - 14/09/2005 - Non-legislative basic document

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.