

Neelie Kroes

Vice-President of the European Commission responsible for the Digital Agenda

The crucial need for a coordinated EU approach to radio spectrum

*Check Against Delivery
Seul le texte prononcé fait foi
Es gilt das gesprochene Wort*

Annual European Spectrum Management Conference

Brussels, 23rd June 2010

Good morning everybody

By now I hope you are aware that the Commission has proposed an ambitious Digital Agenda for Europe.

There are 100 actions and 31 pieces of legislation. There are thousands, if not millions, of crucial partners, including each of you in this room. This is an action plan that is absolutely essential for Europe's long term economic recovery. It depends on us working together effectively.

So I am asking you to engage with that wider agenda, and to bring that spirit of partnership to the dealings we have on radio spectrum.

You might wonder why you need to get involved. Isn't this just like all the other strategies of the past you might be asking?

My firm answer is no – this is not like the other strategies. This is about more than a single issue, and more than telecoms or broadcasting; it is not limited to ICTs. It is a unified Agenda which recognises convergence in the digital world and which puts digital issues at the heart of Europe's plans for future success. Whether it is saving taxpayers' money, raising productivity or dealing with ageing or with climate change, you will find a contribution in the Digital Agenda for Europe.

If this plan succeeds, then you and I will succeed together.

Of course, you are here to focus on the Radio Spectrum Policy Programme. And naturally I am pleased to confirm that it is an important part, and a focus for immediate action, of the Digital Agenda.

Where are we now on spectrum?

Like many issues in the Digital Agenda, successful spectrum policy pivots around efficiency and prioritisation. And like many items of the Digital Agenda the technological challenges come together with wider political and cultural challenges.

So that is why I am pleased that we have a headstart on this issue, to begin implementing the DAE. We have a new regulatory framework and we have started dialogue early – most notably through the Spectrum Summit held in March.

The new provisions in the telecoms reform package will contribute to the DAE by ensuring that spectrum resources are better managed and are available where most needed, for example for delivering ubiquitous broadband connectivity at reasonable cost. The stronger emphasis on technology and service neutrality in spectrum use will also make it easier for new technologies and services to be introduced.

But the reform package also gave increased significance to the need for co-ordination of spectrum policy at EU level. This will culminate in the adoption of the radio spectrum policy programme by the European Parliament and Council, the proposal for which will come from the Commission after the summer break. The idea of developing a spectrum programme reflects the growing political awareness of the importance of radio spectrum in achieving some of our key objectives for economic recovery and sustainable growth in the EU.

Reflecting on our consultation

At the Spectrum Summit I said that I was determined to inject economic and social sensitivities into this debate, and that I will not allow technical and legal arguments to have more influence than they deserve. Judging from the comments of other speakers at the Summit, I did not feel that my view was isolated.

Since then we have had the adoption by the Radio Spectrum Policy Group of its Opinion on the draft Programme, which I very much welcome as an important and positive input into our proposal.

We now have all the key input needed to prepare the Programme. So while I will be interested to hear about the discussions that you have here in the conference today and tomorrow, we can already see some of the key points that arise following the Spectrum Summit and the public consultation, and again in the RSPG Opinion.

First and foremost we need to concentrate on the digital dividend, the timely use of existing spectrum bands for broadband, and the inevitable demands for more spectrum.

Efficient use of spectrum is another key issue. This is a principle that applies across all bands, and I believe more could be done to pinpoint those parts of the spectrum where improvements are needed.

Another important area that we must address is creating the right conditions for the introduction of innovative technologies, such as cognitive radio. These are still relatively unknown, but they have the potential of significantly increasing spectrum sharing and efficiency, so we cannot allow a mistrust of change to get in the way of progress.

Then there is the challenge regarding national reassignment of current rights of use, the so called "re-farming". While pushing for making licences more flexible, and allowing rights holders to use their spectrum for different technologies, we must also be careful about possible competitive distortions. Moreover, the assigned spectrum blocks need to be adequate in size to deploy broadband technologies, and clearly there are benefits to harmonised or co-ordinated approaches. There may also need to be co-ordinated assignment conditions in some cases.

We have also been made more aware of the importance of looking outside of electronic communications to make sure that we are supporting applications that will help to safeguard the environment, such as smart grids.

Drawing from these lessons, my department is now busy drafting the first Radio Spectrum Policy Programme.

The Programme will set out the guiding principles and objectives to be followed by Member States and EU institutions in the field of radio spectrum. It will also indicate the initiatives that will be taken to allow a swift implementation of these principles and objectives.

Whatever we settle on in terms of a more flexible use of spectrum, it should be a regime that safeguards competition and encourages innovation. We do not want a regime that encourages monopolist or cartel behaviour, nor one that slows down innovation, or favours a particular technology.

It will be very important, therefore, that we adopt a co-ordinated approach to examining the competitive implications of new spectrum allocations, re-farming and the introduction of new technologies. We must also go further and consider the best approach to network sharing. In this way the legitimate wishes of operators and regulators to allow sound investments while ensuring maximum coverage can be reconciled without distorting competition, which would be equally harmful to the user in the long-run.

Wireless broadband

One of the key contributions that the radio spectrum policy programme can make to implementing the Digital Agenda is in relation to the ambitious objectives we have set for broadband access.

Wireless broadband will have a big role to play. Fortunately, we have already started in Europe to harmonise frequency bands so that an amount of around 1000 MHz of spectrum should theoretically already be available today.

Yet there are many remaining issues:

- some of this spectrum has not been released
- some was assigned in blocks too small to cater for new broadband technologies
- some of the existing assignments are not flexible enough to allow the deployment of new broadband technologies and services
- some of the earmarked spectrum is unsuitable for rural areas, leaving little choice to residents of such areas.

For all of these reasons the Radio Spectrum Policy Programme will be critical for meeting our wider European targets of 100% broadband coverage with increasing speeds.

The digital dividend

We have taken a good step forward with the digital dividend with the adoption of the Commission Decision on the 800 MHz band in early May. Now we need to ensure that this band is opened for new broadband services without delay across the whole of the EU.

For this, the RSPG has made an important contribution in its Opinion, by stating clearly that the 800 MHz band should be available in all Member States by 2015. This is a very welcome step as, for the first time, the policy makers in the Member States are stating openly and together that it is important to move forward.

I would like to thank Roberto Viola, and his colleagues in the RSPG, for the work they have done.

Given the interest in the recent auction in Germany and given the announcements that have been made recently, in Italy and in Spain, for example, I think that we can even be a bit more ambitious in setting the deadline for opening up the 800 MHz band. Let's say that, since several Member States have, for the first time, shown an appetite to make the 800 MHz band available even before 2015, I get the hint: I am willing to serve the dinner early, so to say. Let's not put an exact date on it now, but I think it should be before I call the removal people at the end of the mandate. This being said, I know there may be good reasons for taking a bit more time in some countries and this could lead to allow some derogations in exceptional cases.

Further steps on the Digital Dividend need careful study and would benefit from experience in the 800 MHz band. This is why I encourage all Member States to act quickly concerning its opening.

Efficient use of spectrum

Concerning the efficient use of spectrum I already mentioned that I believe more could be done to pinpoint those parts of the spectrum where improvements are needed. For example, we should launch an effective review (and an inventory) of current spectrum use, with the aim of identifying old and inefficient technologies, unused assignments and sharing opportunities. This could help all users to benefit from more effective and spectrally efficient technologies, while at the same time new demand could be accommodated in a coordinated way across Europe.

I take heart from the fact that some of the spectrum used for national security and defence is being reassessed voluntarily. If agreement can be found on such sensitive terrain, then surely it is worth exploring new opportunities to improve the efficient use of spectrum overall. More importantly, a coordinated approach could lead to new applications for public protection and disaster relief, where the user community and the operational considerations are often very similar.

Speaking of innovation, I believe we need to strengthen the link between allocating spectrum and the outcome of our efforts on R&D. This can work both ways, namely a better understanding within the R&D community concerning the already available spectrum allocations as well as an initiative to identify R&D results with major socio-economic potential, but lacking adequate spectrum resources.

And in combining innovation and efficient use of spectrum, we must also think more broadly about the spectrum needed to meet other key policy objectives of the EU, particularly regarding the environment and climate change. There is an increasing role for earth observation and monitoring in regard to environmental policies. But spectrum is also required to ensure more efficient use of energy.

International coordination

Finally, I would like to highlight the issue of international coordination, which is underlined in the Opinion of the RSPG. We will also strive to take an active role in this area. This could, for example, facilitate the difficult negotiations between EU countries bordering third countries in the context of the digital dividend in order to facilitate a common date for opening the 800 MHz band.

Furthermore, we must recognise the importance given to the ITU Radio Regulations in the revision of the Framework Directive. Consequently, the Commission must assume its responsibilities in this respect and take on an appropriate role in the negotiations at World Radiocommunication Conferences (WRCs). There are several areas where this will be essential in the negotiations that will take place in the ITU in 2012.

Next steps

Our thoughts on the content of the programme are progressing thanks to all the input we have received from the European Parliament, the Member States and last but not least the economic operators. It is our job to focus on those areas that are likely to have the largest impact on our political priorities during the next five years.

In terms of the timing of the RSPP, I aim to have the draft programme adopted as soon as possible after the summer break, ideally together with the NGA Recommendation and the Communication on Broadband.

On that note I wish you well with your exchanges today, and my staff will be taking note of your views. Thank you once again for your invitation, I know I can count on your support.