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REPORT

Towards a European policy on the radio spectrum (2006/2212(INI))

Committee on Industry, Research and Energy

Rapporteur: Fiona Hall

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

Towards a European policy on the radio spectrum (2006/2212(INI))

The European Parliament,

- having regard to the Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions entitled 'A market-based approach to spectrum management in the European Union' (COM(2005)0400),
- having regard to the Communication from the Commission to the Council and the European Parliament entitled 'A forward-looking radio spectrum policy for the European Union: Second annual report' (COM(2005)0411),
- having regard to the Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions entitled 'EU spectrum priorities for the digital switchover in the context of the upcoming ITU Regional Radiocommunications Conference 2006 (RRC-06)' (COM(2005)0461),
- having regard to Decision No 676/2002/EC of the European Parliament and of the Council of 7 March 2002 on a regulatory framework for radio spectrum policy in the European Community (Radio Spectrum Decision)¹,
- having regard to the Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions on the Review of the EU regulatory framework for electronic communications networks and services (COM(2006)0334),
- having regard to the Communication from the Commission to the European Parliament and the Council entitled 'First Annual Report on Radio Spectrum Policy in the European Union; State of Implementation and Outlook' (COM(2004)0507),
- having regard to the Opinion of the Radio Spectrum Policy Group of 19 November 2004 on secondary trading of rights to use radio spectrum,
- having regard to the Council Conclusions on the first Annual Report on Radio Spectrum Policy in the European Union (notified under document number 15530/04 - Telecom 191, Trans 378) of 9 and 10 December 2004,
- having regard to the Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions entitled 'i2010 A European Information Society for growth and employment' (COM(2005)0229) and the accompanying Commission Staff Working Paper on extended impact assessment (SEC(2005)0717),

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¹ OJ L 108, 24.4.2002, p.1.

- having regard to Directive 2002/21/EC of the European Parliament and of the Council on a common regulatory framework for electronic communications networks and services²,
- having regard to Directive 2002/22/EC of the European Parliament and of the Council on universal service and users rights relating to electronic communications networks and services (Universal Services Directive)³,
- having regard to Directive 2002/20/EC of the European Parliament and of the Council on the authorisation of electronic communications networks and services⁴,
- having regard to Directive 2002/19/EC of the European Parliament and of the Council on access to, and interconnection of, electronic communications networks and associated facilities⁵.
- having regard to its resolution of 14 March 2006 on a European Information Society for growth and employment⁶,
- having regard to the Presidency Conclusions of the Brussels European Council of 22 and 23 March 2005 (7619/1/05),
- having regard to Directive 2005/82/EC of the European Parliament and of the Council of 14 December 2005 repealing Council Directive 90/544/EEC on the frequency bands designated for the coordinated introduction of pan-European land-based public radio paging in the Community⁷,
- having regard to the Commission Recommendation of 6 April 2005on broadband electronic communications through powerlines⁸,
- having regard to the Commission Recommendation on the harmonisation of the provision of public R-LAN access to public electronic communications networks and services in the Community⁹,
- having regard to the Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions entitled 'Electronic Communications: the Road to the Knowledge Economy' (COM(2003)0065),
- having regard to the Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions entitled 'Connecting Europe at high speed: recent developments in the sector of electronic communications' (COM(2004)0061),

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² OJ L 108, 24.4.2002, p. 33.

³ OJ L 108, 24.4.2002, p. 51.

⁴ OJ L 108, 24.4.2002, p. 21.

⁵ OJ L 108, 24.4.2002, p. 7.

⁶ Texts Adopted, 14.3.2006, P6 TA(2006)0079.

⁷ OJ L 344, 27.12.2005, p. 38.

⁸ OJ L 93, 12.4.2005, p. 42.

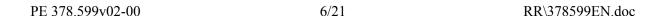
⁹ OJ L 78, 25.3.2003, p. 12.

- having regard to the Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions entitled 'eEurope 2005: An information society for all - An Action Plan to be presented in view of the Sevilla European Council, 21/22 June 2002' (COM(2002)0263),
- having regard to the Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions entitled 'i2010 – First Annual Report on the European Information Society' (COM(2006)0215),
- having regard to the Communication from President Barroso in agreement with Vice-President Verheugen to the Spring 2005 European Council entitled 'Working together for growth and jobs - A new start for the Lisbon Strategy'(COM(2005)0024),
- having regard to the Commission Staff Working Paper entitled 'Working together for growth and jobs - Next steps in implementing the revised Lisbon strategy' (SEC(2005)0622/2),
- having regard to the Council's Conclusions of 1 December 2005 on Accelerating the transition from analogue to digital,
- having regard to the Communication from the Commission entitled 'Results of the World Radiocommunication Conference 2003 (WRC-03)' (COM(2003)0707),
- having regard to the Communication from the Commission on the World Radiocommunication Conference 2003 (COM(2003)0183),
- having regard to the Opinion of the Radio Spectrum Policy Group of 23 November 2005 on Wireless Access Policy For Electronic Communications Services (WAPECS) (A more flexible spectrum management approach).
- having regard to the Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions on the Review of the EU Regulatory Framework for electronic communications networks and services (COM(2006)0334),
- having regard to its resolution of 16 November 2005 further to the Oral Answer (B6-0333/2005) given by Etelka Barsi-Pataky on behalf of the Committee on Industry, Research and Energy on accelerating the transition from analogue to digital broadcasting¹⁰,
- having regard to the Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions on accelerating the transition from analogue to digital broadcasting (COM(2005)0204),
- having regard to the Opinion of the Radio Spectrum Policy Group of 19 November 2004

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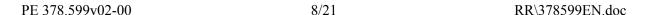
¹⁰ OJ C 280 E, 18.11.2006, p. 115.

- on spectrum implications of switchover to digital broadcasting (RSPG04 55 Rev.),
- having regard to the Protocol on the system of public broadcasting in the Member States annexed to the Amsterdam Treaty,
- having regard to Article 151(4) of the EC Treaty,
- having regard to Rule 45 of its Rules of Procedure,
- having regard to the report of the Committee on Industry, Research and Energy and the opinions of the Committee on the Internal Market and Consumer Protection and the Committee on Culture and Education (A6-0467/2006),
- A. Whereas in recent years Europe has witnessed an increased pace of technological evolution, with copper networks being replaced by fibre optic networks and an increasing use of wireless communications and multimedia platforms,
- B. Whereas technological convergence is beneficial to consumers as it offers a greater choice of infrastructure and services,
- C. Whereas radio spectrum is key to the provision of a wide range of services,
- D. Whereas spectrum shortage has been an obstacle to the deployment of new services,
- E. whereas the success of WiFi has demonstrated that it is now possible to use the unlicensed band more efficiently than before,
- F. Whereas efficient use of spectrum is critical in ensuring access to spectrum for the various interested parties who want to offer services, and is therefore a key factor in the growth, productivity and development of European industry in accordance with the Lisbon Strategy,
- G. Whereas efficient and prudent use of spectrum serves the cultural objectives of EU policies pursuant to Article 151 (4) of the EC treaty and should facilitate cultural and linguistic diversity as well as media pluralism,
- H. Whereas access to spectrum needs common technical parameters,
- I. Whereas through the digital switchover and the transition from analogue to digital, several hundred megahertz of spectrum will be released, thus offering the possibility of reallocating spectrum and new opportunities for market growth,
- J. Whereas the legal framework for electronic communications is a prerequisite for an open and competitive electronic communications market; whereas, however, not all Member States have transposed its provisions in a timely and correct manner,
- K. Whereas the Commission's position is that digital electronic communication is of fundamental importance for the entire economy, the Lisbon process and the i2010 strategy, and a reform of the system of spectrum management is therefore essential,



- L. Whereas information and communication technology offers European industry great prospects for growth and development and can also contribute to social welfare,
- M. Whereas access to spectrum can facilitate the development of technology-driven markets,
- N. Whereas the Commission in its various communications on radio spectrum adopted in 2005 and 2006 proposed a more flexible and efficient approach to spectrum management, including spectrum tradability,
- 1. Considers that the European Union needs to adopt a sustainable approach to spectrum which will promote competition and the development of innovative technologies, inhibit the hoarding of frequency rights and the aggregation of monopolies and benefit consumers, and that this approach should take into consideration technological change as well as the needs of market players and of citizens;
- 2. Emphasises that the importance of spectrum has increased during recent years and that the growth of the technology sector relies, inter alia, on the efficient use of spectrum;
- 3. Notes that, in the EU, the regimes for assigning spectrum to interested parties differ from Member State to Member State and that this divergence can cause additional delays and costs; takes the view therefore that the EU will require efficient and responsive guidelines for common decision-making mechanisms and that, furthermore, a European register will be needed with the completion, expansion and accessibility of the EFIS database;
- 4. Agrees with the Commission's view that part of the spectrum dividend should be earmarked for technical harmonisation at European level;
- 5. Encourages the Commission to take into account the reality of the spectrum dividend when defining the future direction of the radio spectrum policy and consider the appropriateness of allowing unlicensed users access to the spectrum dividend;
- 6. Emphasises that implementation of the new conditions for spectrum usage must ensure an unrestricted choice of the technology which can be used and the service to be delivered in a given spectrum band;
- 7. Welcomes the development of new radio technologies that make efficient and flexible use of the radio spectrum and that make interoperability and coexistence possible;
- 8. Rejects a one-sided market model of spectrum management and urges 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 of this valuable resource to society;
- 9. Emphasises, with regard to spectrum management, the general principles of technological neutrality together with service neutrality in order to promote competition and innovation, within the context of the Lisbon Strategy; points out that spectrum should be managed in a manner which is flexible and transparent and which facilitates cultural and linguistic

- diversity, freedom of expression, and media pluralism and takes into account the technical, social, cultural and political needs of all member states;
- 10. Emphasises the importance of technical neutrality to promote innovation and interoperability and calls for a more flexible and transparent policy for the consideration of the public interest;
- 11. Considers that, given technological evolution, the approach to frequency use adopted until now needs to be adapted to meet the requirements of a rapidly-changing information society and also provide for guarantees of high-quality service delivery and related customer protection; considers that spectrum management should not be based only on a market-driven approach but also needs to take into account wider social, cultural and political considerations;
- 12. Welcomes the Commission's proposal to adopt differentiated spectrum management models including the unlicensed model which provides additional flexibility by allowing for free access within some technical limitations; considers that developing the right mix between the different type of licensing models manners will be important in achieving EU policy objectives;
- 13. Agrees that Radio Spectrum is a key resource for many activities and important for the good functioning of the internal market; emphasises that the use of market mechanisms should safeguard the interests of consumers and encourage the take up of innovative products and services; agrees also that social, cultural and political considerations must also be taken into account in line with Article 151(4) of the EC Treaty; considers, furthermore, that audiovisual policy, the promotion of cultural and linguistic diversity and the pluralism of the media may justify exceptions from the principle of service neutrality;
- 14. Considers that the administrative method of allocating spectrum rights could be supplemented by Member States opening up more frequencies to unlicensed, and therefore possibly shared use, and by allowing spectrum trading, except for broadcasting frequencies, on condition that this opening up does not harm the continuity and quality of services concerned with public information and safety; takes the view that the phenomenon and the standard conditions of spectrum trading should be clarified;
- 15. Emphasises the importance of communication for rural and less developed regions, for which the diffusion of broadband, of lower frequency mobile communications and of new wireless technologies could provide efficient solutions to achieving universal coverage of the 25-member EU with a view to sustainable development of all areas. Complete coverage of all areas must not be achieved by transferring the burden to the regions concerned;
- 16. Emphasises the risk of frequency shortage and of interference problems due to analogue-digital simulcasting between Member States and bordering third countries and emphasises also that all EU countries and regions should benefit from the digital dividend;
- 17. Notes that, 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; stresses also the need to include a clause on reallocating

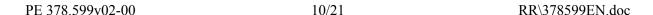




frequencies where the commitments made when frequencies are assigned are not fulfilled;

- 18. Urges Member States 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;
- 19. Calls on the Commission to ensure, when reviewing the legal framework for electronic communications networks and services, that sufficient account is taken of the significance of broadcasting with regards to the freedom of opinion of individuals and the public, and of diversity of opinion, when transmission capacities are allocated at European level;
- 20. Recognises that the public has an interest in the ability of broadcasting services to continue to fulfil their tasks, and concludes that decisions on the extent to which transmission capacities are used for broadcasting should continue in future to be taken by the Member States, and administrative procedures should thus remain unchanged;
- 21. Notes that, in order to preserve their high quality, services of public and general interest need to adapt to changing technology;
- 22. Notes that access to harmonised frequency bands is essential for the development of new services and new types of wireless and power line technology, as industry seeks common conditions of use that provide flexibility and efficient use of the spectrum, in order to prevent severe constraints on the growth of the ICT sector in the EU, if the frequencies intended to meet these new needs are not allocated;
- 23. Welcomes the Commission's proposal to introduce a market-based approach to spectrum, and acknowledges that the traditional model will continue to be relevant, in particular where important public interests are at stake;
- 24. Considers that the introduction of a market-based approach to spectrum will be most effective if based on a consensual agreement backed by regulators, operators and other actors; draws attention, in this regard, to the work of the European Regulatory Group (ERG) and the Radio Spectrum Policy Group (RSPG);
- 25. Asks that the proposals of the European Commission on spectrum management and tradability be carefully considered and that a common agreement at political level be reached for their implementation, in accordance with the existing division of competences between the European Union and the Member States;
- 26. Notes that the freeing-up of spectrum raises a number of issues for existing users and calls, 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;
- 27. Suggests that in order to achieve technological harmonisation, minimal common technical and regulatory conditions be developed with a view to ensuring technical co-existence and the avoidance of interference, with particular attention being paid to ensuring that the utilisation of frequency bands already assigned cannot_be adversely affected and that cross border issues are settled:

- 28. Calls for a balanced and efficient approach to spectrum management in order to maximise the social, cultural and economic benefits arising from its use, encourage the development of innovative services, deliver jobs and growth in accordance with the Lisbon Strategy and make European industry a global leader in electronic communications;
- 29. Is convinced that we will see in the future even more sophisticated packages on offer than the already existing triple play packages, offering voice telephony, internet access and television and that, as a result, the borders between products and services in the area of electronic communications will in future become even more blurred;
- 30. Considers that, besides the market-based approach, attention should also be given to ensuring access to the spectrum market for everyone; notes that, in order to guarantee such access, information, knowledge and technological infrastructure should be provided via education or alternative training opportunities;
- 31. Urges the Commission, therefore, to define the conditions and justifications for the use of the various licensing models before further proposals for a new spectrum management model are submitted and to assess, in particular, when, and under what conditions, spectrum liberalisation will take place and whether the Member States are in a position to rationalise spectrum space once the switch-over to digital has been made;
- 32. Regards the Commission's definition of high-value and low-value communications services as too one-sided since its assessment is based almost exclusively on economic return and does not take appropriate account of the significance that broadcasting services and broadcasting-related media services have for securing freedom of information and diversity of opinion and for safeguarding cultural and linguistic diversity, and, hence, for democracy and society;
- 33. Notes that the divergence in Member State regimes for spectrum allocation and exploitation differ widely and that these differences represent serious obstacles to the achievement of a well-functioning single market;
- 34. Calls on Member States to support enhanced cooperation measures between spectrum management authorities, to consider areas where common spectrum allocation would allow new technologies and services to emerge, to step up their information exchanges and to remove over-prescriptive regulatory constraints;
- 35. Emphasises the need for sufficient time for transition and calls, therefore, for a step-by-step approach in this field; is of the opinion that effects for smaller networks especially local wireless networks for which no license requirements currently apply must be taken into account and that universal access to broadband, especially in rural areas, should be promoted;
- 36. Emphasises the potential value of the spectrum released by the digital switchover (digital dividend) which could increase the widespread availability of affordable mobile/wireless broadband, including in rural areas;
- 37. Urges the establishment of clear definitions of rights and obligations to promote legal certainty; underlines the importance of separation between providers of infrastructure and





providers of electronic communications services and the importance of avoiding the creation of monopolies;

38. Instructs its President to forward this resolution to the Council and Commission.

EXPLANATORY STATEMENT

During the past decades technological progress has started to change the quality and the notion of communications, signalling the beginning of a new era of communication and information diffusion based on powerful electronic superhighways. Fibre optics, semiconductors, broadband integrated networks, intelligence networks, UMTS and multimedia broadcasting have been major achievements of the last decades.

The deployment of many of these technologies is dependent on the existence of enough spectrum for the players that would like to enter the market. Spectrum is a "scarce" resource with two specific technical characteristics. On the one hand, it is an indefinite, renewable resource in that using it does not make it "used up". On the other hand, it has been allocated into portions, each with a specific use. This means that once a spectrum portion is occupied by one user, it cannot be occupied by another. As spectrum is needed in all electronic communications the demand is very high and at present there does not appear to be enough spectrum width available to meet that demand.

From a technical, regulatory, administrative, political and economic point of view, the relation between access and distribution has been very complex.

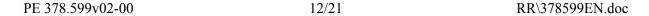
Up to now the system used for spectrum allocation has operated at four levels (international, European, inter-regional and national), with the result that six to eight years elapse between the request for allocation and the assignment of a frequency. With a view to avoiding interference, spectrum bands have traditionally been allocated for specific uses and specific technologies. However, the rapid development of technology and the convergence of telecommunications, media and electronic devices have created a dynamic environment for which the traditional approach is too slow and inflexible to deliver the spectrum access needed.

Key to a more efficient use of spectrum is the principle of service and technology neutrality. When access to spectrum is without restriction on the service to be offered on a particular bandwidth or the technology to be used for the delivery of that service then spectrum-dependent innovation is able to flourish.

A combined approach to the management of spectrum is required in order to achieve greater flexibility and market responsiveness

Firstly, there will remain a role for the traditional administrative "command and control" approach to spectrum allocation but it needs to be made quicker and more efficient in order to keep pace with technological change. To be welcomed is the Commission's proposal to reduce the administrative burden of the market review procedure on national regulatory authorities (NRAs).

Traditional negotiating for will also remain particularly important for negotiations with third countries. Member States in the east of the Union face a shortage of available frequencies and problems of interference caused by third country users. It is important that no country or region is shut out of the development of pan-European services: the digital dividend must not





become a digital divide.

Secondly, there could be more unrestricted use of spectrum. Where spectrum is unrestricted it remains unallocated and a technological approach is taken to issues of interference i.e. the responsibility for avoiding interference lies with the users of the frequency who therefore must each come up with a design solution to avoid interference from other users and technologies. The unlicensed approach has tended to date to be used for frequencies on which short-range devices operate, but there is scope to extend its use.

Thirdly, spectrum rights, which are already traded within some member states, could be traded across Europe. The Commission has suggested that a substantial amount of spectrum, perhaps one third of the spectrum below 3 GHz, could be tradable.

With this balanced approach, although a substantial amount of spectrum would still be managed according to traditional methods, the unlicensed and tradable elements would facilitate a more dynamic and efficient use of spectrum.

As allocation of spectrum rights is the prerogative of member states and the frequencies used for various services differ across the Union, the rationalisation and alignment of spectrum which would be necessary for pan-European trading presents a challenge. The rapporteur is of the view that the solution lies in freeing more spectrum up for trading rather than less. If only a very limited amount of spectrum trading is proposed then difficult negotiations may result in which no current spectrum-using sector (broadcasters, telecoms, the military ...) is keen to release spectrum for trading.

By contrast, wider spectrum trading would open up the possibility of all sectors recognising the market value of the spectrum resource which they hold. Spectrum users would be less likely to sit on unused or little used spectrum if it was a tradable asset with a value. A freeing up of spectrum for secondary trading would allow industry to move towards a European alignment and rationalisation of spectrum by market means. This would be easier and quicker than relying on administrative harmonisation alone and could free European industry to respond rapidly to innovation and make the development of a Europe-wide market for spectrum-using products much easier.

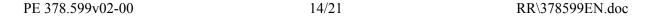
However, the freeing up of spectrum raises a number of issues for existing users and therefore needs to take place within a very clear legal framework. A core principle of traditional spectrum allocation has always been the avoidance of interference. If certain frequencies are freed up without conditions on the service or technology to be used then it will be necessary to define the responsibilities of the new holders very rigorously in order to avoid users of neighbouring bands suffering from interference. It would seem prudent to draw up from the beginning a clear legal framework incorporating properly defined spectrum rights and dispute resolution mechanisms.

Broadcasters in particular express concern that different technologies operating adjacent to their broadcasting bandwidths are likely to cause significant interference. It may prove to be the case that technical constraints and interference concerns make it impossible for some frequencies to be used differently in the first instance. But given the pace of 21st century technological change – for example, iPods and WiFi were virtually unknown six years ago –

the likelihood is that new technical solutions will make interference less of a problem in the longer term. Already, developments over the horizon such as software defined radio (SDR) and cognitive defined radio (CDR) open up the future prospect of interference-free close coexistence of different spectrum uses. Therefore the legal framework should be future-proofed in anticipation of greater technical flexibility becoming possible.

There rightly exists across Europe a strong political commitment to maintaining services of public and general interest ranging from universally available linear media services to military, security and emergency services and services benefiting disabled people. Just as a more flexible approach to spectrum management is vital for commercial innovation, so it is important for a more dynamic and responsive delivery of services of public interest. A clear distinction needs to be drawn between the fixed and firm commitment to the **provision** of services of public and general interest and the **method of delivery** of those services, which needs to become flexible and responsive to technological change if it is to remain efficient. Contrary to the notion that a freeing up of spectrum access might endanger services of public and general interest, the rapporteur is of the opinion that a less sclerotic approach to spectrum could be of immense benefit in facilitating the delivery of innovative high-quality public services.

A balanced and efficient approach to spectrum management will maximise the social and economic benefits arising from its use, encourage the development of innovative services, deliver jobs and growth in accordance with the Lisbon agenda and make European industry a global leader in electronic communications.



OPINION OF THE COMMITTEE ON THE INTERNAL MARKET AND CONSUMER PROTECTION

for the Committee on Industry, Research and Energy

on 'Towards a European policy on radio spectrum' (2006/2212(INI))

Draftswoman: Heide Rühle

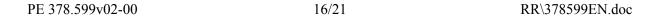
SUGGESTIONS

The Committee on the Internal Market and Consumer Protection calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

- 1. Agrees that Radio Spectrum is a key resource for many activities and important for the good functioning of the internal market; underlines that the use of market mechanisms should safeguard the interests of consumers and encourage the take up of innovative products and services; and that social, cultural and political considerations must also be taken into account in line with Article 151(4) of the EC Treaty; considers, furthermore, that audiovisual policy, the promotion of cultural and linguistic diversity and the pluralism of the media may justify exceptions from the principle of service neutrality;
- 2. Notes that the divergence in Member State regimes for spectrum allocation and exploitation differ widely and that these differences represent serious obstacles in the achievement of a well-functioning single market;
- 3. Calls on Member States to support enhanced cooperation measures between spectrum management authorities, to consider areas where common spectrum allocation would allow new technologies and services to emerge, to step up their information exchanges and to remove over-prescriptive regulatory constraints;
- 4. Strongly supports the Commission's principles for future spectrum policy technological neutrality, service neutrality and tradability;
- 5. Underlines the importance of technical neutrality to promote innovation and interoperability and calls for a more flexible and transparent policy for the consideration

of the public interest;

- 6. Emphasises the need for sufficient time for transition and therefore calls for a step-by-step approach in this field; is of the opinion that effects for smaller networks especially local wireless networks for which no license requirements currently apply must be taken into account and that universal access to broadband, especially in rural areas, should be promoted;
- 7. Emphasises the potential value of the spectrum released by the digital switchover (digital dividend) on the widespread availability of affordable mobile/wireless broadband, including in rural areas;
- 8. Urges the establishment of clear definitions of rights and obligations to promote legal certainty; underlines the importance of separation between providers of infrastructure and providers of electronic communications services and the importance of avoiding the creation of monopolies;
- 9. Emphasises that the handling process for licenses is important, and that systems for transfer or subdivision of licences to third parties who meet the applicable eligibility criteria should be established; considers that mechanisms for the redistribution of unused licences should be established in order to avoid market distortions caused by actors holding sleeping licences which could have negative effects for small- and medium-sized enterprises; considers that rapid technological changes call for a more frequent review of licensing policy and could lead to shorter licensing periods;
- 10. Considers that commercially based spectrum awards, including secondary market trading, are the optimum means of allocating scarce resources for electronic communications; calls for public consultation processes preceding award decisions and considers that such consultations should provide information on applicable criteria, including bandwidth and geographical dimensions, and should take place in due time before the end of a licensing term to ensure transparency *inter alia* on the terms for renewal of or change to the licence conditions.



PROCEDURE

Title	Towards a European policy on radio spectrum
Procedure number	2006/2212(INI)
Committee responsible	ITRE
Opinion by Date announced in plenary	IMCO 7.9.2006
Enhanced cooperation – date announced in plenary	
Drafts(wo)man Date appointed	Heide Rühle 13.9.2006
Previous drafts(wo)man	
Discussed in committee	22.11.2006
Date adopted	28.11.2006
Result of final vote	+: 19 -: 0 0: 0
Members present for the final vote	Charlotte Cederschiöld, Evelyne Gebhardt, Małgorzata Handzlik, Christopher Heaton-Harris, Anna Hedh, Alexander Lambsdorff, Lasse Lehtinen, Arlene McCarthy, Manuel Medina Ortega, Zita Pleštinská, Guido Podestà, Luisa Fernanda Rudi Ubeda, Heide Rühle, Christel Schaldemose, Andreas Schwab, Marianne Thyssen, Glenis Willmott
Substitute(s) present for the final vote	Filip Kaczmarek, Anja Weisgerber
Substitute(s) under Rule 178(2) present for the final vote	
Comments (available in one language only)	

OPINION OF THE COMMITTEE ON CULTURE AND EDUCATION

for the Committee on Industry, Research and Energy

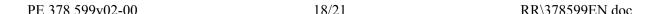
on 'Towards a European policy on the radio spectrum' (2006/2212(INI))

Draftswoman: Ruth Hieronymi

SUGGESTIONS

The Committee on Culture and Education calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

- 1. Supports the Commission's position that digital electronic communication is of fundamental importance for the entire economy, the Lisbon process and the i2010 strategy, and a reform of the system of spectrum management is therefore essential;
- 2. Is convinced that the future will see even more sophisticated packages on offer than the already existing triple play packages offering voice telephony, internet access and television and that, as a result, the borders between products and services in the area of electronic communications will in future become even more blurred;
- 3. Rejects a one-sided market model of spectrum management and urges 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 of this valuable resource to society;
- 4. Considers that, besides the market-based approach, attention should also be given to ensuring access to the spectrum market for everyone; notes that in order to guarantee such access, information, knowledge and technological infrastructure should be provided via education or alternative training opportunities;
- 5. Urges the Commission, therefore, to define the conditions and justifications for the use of the various licensing models before further proposals for a new spectrum management

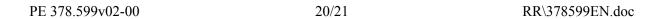




- model are submitted and to assess, in particular, under what conditions and when spectrum liberalisation will take place and whether the Member States are in a position to rationalise spectrum space once the switch-over to digital has been made;
- 6. Regards the Commission's definition of high-value and low-value communications services as too one-sided since its assessment is based almost exclusively on the economic return and does not take appropriate account of the significance that broadcasting services and broadcasting-related media services have for securing freedom of information and diversity of opinion and for safeguarding cultural and linguistic diversity, and hence for democracy and society.

PROCEDURE

Title	Towards a European policy on Radio Spectrum
Procedure number	2006/2212(INI)
Committee responsible	ITRE
Opinion by	CULT
Date announced in plenary	7.9.2006
Enhanced cooperation – date announced in plenary	
Drafts(wo)man	Ruth Hieronymi
Date appointed	28.8.2006
Previous drafts(wo)man	
Discussed in committee	11.9.2006 9.10.2006
Date adopted	28.11.2006
Result of final vote	+: 18
	-: 1
	0: 0
Members present for the final vote	Christopher Beazley, Guy Bono, Marie-Hélène Descamps, Věra Flasarová, Hanna Foltyn-Kubicka, Milan Gal'a, Vasco Graça Moura, Lissy Gröner, Ruth Hieronymi, Manolis Mavrommatis, Marianne Mikko, Ljudmila Novak, Miguel Portas, Karin Resetarits, Nikolaos Sifunakis, Hannu Takkula, Helga Trüpel, Thomas Wise, Tomáš Zatloukal
Substitute(s) present for the final vote	
Substitute(s) under Rule 178(2) present for the final vote	
Comments (available in one language only)	



PROCEDURE

Title	Towards a European policy on Radio Spectrum
Procedure number	2006/2212(INI)
Committee responsible	ITRE
Date authorisation announced in plenary (Rule 45)	7.9.2006
Committee(s) asked for opinion(s) Date announced in plenary Not delivering opinion(s)	IMCO CULT 7.9.2006 7.9.2006
Date of decision	
Enhanced cooperation Date announced in plenary	
Rapporteur(s) Date appointed	Fiona Hall 30.5.2006
Previous rapporteur(s)	
Discussed in committee	25.9.2006 13.11.2006
Date adopted	11.12.2006
Result of final vote	+: 35 -: 0 0: 0
Members present for the final vote	Jan Březina, Joan Calabuig Rull, Pilar del Castillo Vera, Jorgo Chatzimarkakis, Giles Chichester, Den Dover, Lena Ek, Norbert Glante, András Gyürk, Fiona Hall, Erna Hennicot-Schoepges, Ján Hudacký, Romana Jordan Cizelj, Werner Langen, Pia Elda Locatelli, Angelika Niebler, Reino Paasilinna, Aldo Patriciello, Herbert Reul, Teresa Riera Madurell, Andres Tarand, Patrizia Toia, Catherine Trautmann, Nikolaos Vakalis, Dominique Vlasto
Substitute(s) present for the final vote	Pilar Ayuso, Etelka Barsi-Pataky, Zdzisław Kazimierz Chmielewski, Lambert van Nistelrooij, Vittorio Prodi, John Purvis, Peter Skinner
Substitute(s) under Rule 178(2) present for the final vote	Sharon Bowles, Sepp Kusstatscher, Henri Weber
Date tabled	18.12.2006
Comments (available in one language only)	