



EUROPEAN COMMISSION

Information Society and Media Directorate-General

Communications Services: Policy and Regulatory Framework
Radio Spectrum Policy Group
RSPG Secretariat

Brussels, 20 October 2006
DG INFSO/B4/RSPG Secretariat

RSPG06-156

DEBRIEFING FROM MEETING OF THE SPECTRUM TRADING DISCUSSION GROUP

20 SEPTEMBER 2006

This debriefing concerns an electronic exchange of views and a meeting of the Commission Spectrum trading discussion group on September 20, with the aim to continue its exchange of views on the issue of the format of spectrum usage rights and to initiate an exchange of views on suitable bands for spectrum trading. As described in the terms of reference of the group, the Commission reports the content of these discussions to the RSPG for information and comments. It should be recalled that the discussion takes place under the Chatham House rule and that in consequence no statements made in the discussion will be attributed to a source.

Spectrum Usage Right

It should be stated from the beginning that this has been a very fruitful discussion and that there has been convergence around many of the items that could usefully be included in a common format for a "spectrum usage right". This should however not obscure the fact that there are some issues where there was no obvious consensus and where more work would be required. The dummy spectrum usage right can be found as an annex.

Main questions

(1) Scope

The format was originally conceived for spectrum usage rights only in defined tradable bands. The discussion moved so that the possibility to also apply them for other rights arose. Some bands where operational and safety requirements are paramount (e.g. aircraft, ship, etc) may exclude the application of the format, but mutatis mutandi it could perhaps be used in other non-tradable bands. There was also a discussion whether tradability (Item 9) could be a part B item, or should remain in part A.

(2) Competence

There is a tension between the spectrum usage right as issued by the national regulator and the items in the right that is outside the regulators immediate control. These could concern

international agreements (6b), tradability (9) and spectrum fees (12). It was pointed out that changing some of these external conditions could render a paper licence including them invalid or incorrect.

(3) Site licences covering a single location

There was a suggestion that if the purpose of a common spectrum right is to create spectrum markets, the default format could be that used for a block licence and any more detailed parameters could be inserted in Part B. Other thought this was a too radical change and pointed out the sheer number of existing licenses that would have to be redefined.

(4) Comprehensiveness versus comparability

This is a permanent tension between the desire to include everything in the licence to ensure maximal clarity of what it can be used and the need to accommodate technological development and the changes in demand for services. This was the original concept behind the division into a part A (containing comparable data and permitting an initial assessment) and Part B (containing the further details of a licence). It was expressed in our discussions that Interference mitigation rules (8) and restrictions on service, type of network or technology (9) needed to be in Part A, while another view held that this would affect comparability and hinder market development and preferred to keep them in Part B (14.15).

While the dummy spectrum usage right has been very useful for framing the issues in the discussion group, it is obviously not the group's function to decide upon a common format or to resolve issues where there is a discrepancy of views. The format in the annex should be seen as an unstable representation of the discussion in the group. With that proviso, it is offered as an input to further work.

Conclusion

The work in the discussion group of spectrum usage right has probably gone as far as it can. When studied carefully, these outstanding issues are really of a strategic character. They involve questions as the regulator's role vis-à-vis other authorities and the holder of the right, if a common format is a reflection of a right or the right itself, how to manage a transition from today's licensing system to a possible common format, as well as where the best balance lies between a detailed right (promoting certainty) and a more "framing" right (promoting flexibility). These questions would also seem to echo the concerns regarding definition of rights that the present users of spectrum have expressed at conferences and in submissions to the Commission.

It is suggested that RSPG consider putting on its work programme the issue of a common approach to spectrum usage rights and in particular the desirability and scope of a common format.

Selection of suitable bands for trading

Unlike the format discussion, this was a pure brainstorming event. It was intended to provide an exchange of views between the members of the group about the benefits and drawbacks of introducing trading in various bands. It became clear very quickly that this discussion was impossible to dissociate from the general WAPECS discussion or the issue of flexibility in other bands.

Although a rough table was compiled it is not today of a quality that contributes in any measure to the discussion in a wider forum. It is therefore not attached and will only be used to help frame a more thorough discussion in the January discussion group meeting. A fuller debriefing will follow at the next RSPG. It should again be noted that the output of the group does not have any formal status and does not represent the formal opinion of the Commission, of any of the group members, or of the administrations they represent.

Spectrum usage right

Part A

- 1) Reference to the law that gives the public authority competence to assign the spectrum usage right
- 2) Name of the public authority that assigns the right
- 3) Official number of the right (for the public records)
- 4) Name of holder of the right

Site license	Block license
(5) Spectrum bandwidth that can be used, as well as (a) Maximum in-band power allowed (b) Maximum out of band power allowed or alternatively (c) Reference to usage of spectrum as defined in a spectrum mask described by a technical standard	(5) Spectrum bandwidth that can be used, as well as (a) Maximum in-band power allowed (b) Maximum out of band power allowed or alternatively (c) Reference to usage of spectrum as defined in a spectrum mask described by a technical standard
(6) Geographic location of the transmitter, as well as, (a) Antenna height, gain and radiation pattern (b) Any international agreements that must be complied with	(6) Geographic area in which the spectrum can be used, as well as (a) Maximum in-band power flux density allowed beyond geographical limits (including variations along the geographical limits) (b) Any international agreements that must be complied with
(7) Spectrum use – - permitted hours of operation	(7) Spectrum use – - permitted hours of operation - exclusive use or shared between n users

Alt 1

(8) Interference mitigation rules

(9) Any restrictions on the service, type of network or technology

(8) Duration of spectrum usage right

(9) Is the spectrum usage right tradable?

(10) Date, place and signature of representative who has legal competence to assign the spectrum usage right on behalf of the public authority

(11) Conditions under which the public authority may revoke the spectrum usage right.

Spectrum right

Part B

The public authority is urged to include in part B all regulatory restrictions and constraints that are directly relevant for practical and legal dispositions concerning this spectrum right, even if these restrictions and constraints also are part of general regulations.

12. Fees linked to the use of the spectrum usage right and location of fee schedule.

13. Right and conditions of renewal

Alt 2

14. Interference mitigation rules

15. Any restrictions on the service, type of network or technology