



EUROPEAN COMMISSION
Information Society and Media Directorate-General

Electronic Communications Policy
Radio Spectrum Policy Group
RSPG Secretariat

Brussels, 19 May 2010
DG INFSO/B4/RSPG Secretariat

RSPG10-336

THE FUTURE OF RADIO BROADCASTING

– PROGRESS REPORT FROM WORKING GROUP RSPG10-336

A first meeting of the working group took place in Stockholm on 30-31 March 2010. 12 Member States participated in this meeting – in addition to the host country and the European Commission (Radio Spectrum Policy unit):

- Spain
- Denmark
- Hungary
- France
- United Kingdom
- Norway
- Germany
- Luxembourg
- Slovakia
- Latvia
- Austria
- Czech Republic

The aim of the first meeting was to discuss the situation in the respective Member States concerning the main VHF bands currently allocated for radio broadcasting (47-68 MHz, 87,5–108 MHz and 174–230 MHz) and secondarily the frequency range 1452-1479,5 MHz (L-band). The main question was: *what is being done today and what are the plans for the future of radio broadcasting in Europe?*

In conducting this review at the meeting, a broad range of topics were discussed – covering technical, economic and political aspects – but most converged to the critical assumption that there is a need to identify driving forces for the development of digital radio on a large scale, and the possible/likely market and technological scenarios for the way forward.

Below are some examples of the driving forces and challenges that were mentioned during the discussions were:

- Specific issue: consumer protection in a context of a fast evolving technology and lack of EU-wide solution.
- Important: if there is no political will = no progress, no dividend, nor switch off.
- Lack of consumer awareness – what would be the added value of digital as compared to analogue (quality?, choice?, more functionality? cheaper?)

- Huge volume of FM radio receivers in use today (more than 300 million in Germany alone).
- The existing coverage by FM radio transmission is difficult to match with digital technologies.
- Insufficient interest from market – aspect of cost and technical uncertainty.
- Lack of coverage for Digital Radio. In particular, radio reception is mentioned as a potential issue.
- Lack of common standard/multistandard terminals – everybody is waiting for the other to do something.
- Only two Member States have reached an encouraging market share for digital radio: Denmark and the UK. In both cases, public policy and public broadcaster(s) were the main driving force. Business model still unclear.
- The most popular standard (DAB, DAB+) use a multiplex approach. This is challenging small local radio broadcasters which have no need/desire to be associated to national channels in the same multiplex.

At the meeting the participating Member States agreed that – apart from information sharing regarding the above mentioned aspects – there was a need to obtain more information directly from the main European organisations representing the radio broadcasting sector and related industries, more particularly on likely funding models and commercial scenarios for the way forward. For this purpose – the working group issued two questionnaires: (1) sent to Member States to obtain an overview of the current official policies and uses of the frequencies and (2) sent to organisations and industry to obtain the strategic information on business approaches and possible way forward from an EU perspective (internal market). The organisations to which the request was addressed are:

- | | |
|------------------------------|---|
| • DigitalEurope | • WorldDab |
| • DRM | • EBU |
| • GSMEurope | • ETSI |
| • European HD Radio Alliance | • Association of European Radiobroadcasters (AER) |

Positive feedback has already been received from several of these organisations –some clearly indicating that they see this as very important work for the future of radio broadcasting. Deadline for replies is set to 11 June 2010.

Work ahead

The working group will meet normally two more times before finishing the report. The next meeting is also planned to take place in Stockholm – date to be set soon.