

UPDATE - European Parliament rulings threaten Satellite Industry Operators EMEA - ESOA EU rulings

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European Union ministers for space met this week at the French space centre in Kourou, French Guyana, to discuss the industry's ambitions for the future.

In two days of meetings, the ministers discussed the possibility of boosting funding to space projects and placing it closer to the forefront of European development and to employ space technology as a major global research tool in the fight against climate change.

However, while the member states, encouraged by new French commitments to the space industry, look to further establish Europe as a major centre of space development, the European Union is considering the implementation of new legislation that fails to accommodate the specific requirements of major satellite operators in the commercial sphere.

The Commission is reviewing its Telecoms Package and reviewing the existing framework for electronic communications in a way that could potentially allow technologies such as WiMAX, WiFi or other telecommunications standards to infringe on valuable satellite spectrum.

This would reduce the ability of satellite operators to offer services at their current standards, which is reflected in the concern expressed by the most prominent members of the European Satellite Operators Association (ESOA). SatelliteFinance asked ESOA Secretary General Aarti Holla-Maini to specify some of the specific issues operators have with the upcoming review.

Holla-Maini believes that the problems satellite operators have with the EU are underscored by one glaring issue. "Our main concern is the way the European Union applies the principle of technological neutrality," she said. "Its application is unpredictable and there is no provision for independent recourse if an industry sector feels the principle was incorrectly applied."

Spectrum is a highly valuable resource in Europe, and ESOA feels that satellite operators are fundamentally disadvantaged when competing for new allocations and protecting their own due to the EU's refusal to acknowledge that the satellite industry is fundamentally different from its competitors in a whole host of aspects, including that of regulation.

Holla-Maini said: "We feel that there is not a level playing field to start with, because only a limited amount of frequency bands are internationally harmonised for satellite at the International Telecommunications Union (ITU), while other technologies do not necessarily rely on worldwide harmonisation and have more bands at their disposal."

Within the context of the Telecoms Package review that the Commission is undertaking, the Commission proposes to delete references to the ITU that exist in the current legislation. A possible reason for this could be that the EU is looking for a seat at the ITU in the same way that the EU is represented at the WTO, but this would mean that the EU would speak for all Member States on the subject of spectrum allocation, which for now is a matter of national sovereignty.

The ITU's membership is made up of individual states and companies, and satellite frequency co-ordination is arranged within this sphere. If the EU seeks to downplay the ITU's importance in

maintaining coherence of spectrum allocation for the satellite industry, then satellite operators will be hamstrung when representing their cases in issues surrounding European spectrum.

This could become even more of a problem if another new proposal for a 5 yearly review of existing rights of use by current spectrum holders is included in the Telecoms review. ESOA argues that this is less than optimum for the satellite industry given their investment and business cycles. "Satellites require huge upfront investment and cannot be modified [to serve in a different frequency band] once launched. They are a part of strategic infrastructure rather than a competing sector of industry."

The satcoms industry is likely to push the central importance of satellites for communications and other key public sector areas across Europe in stressing the need for satellite spectrum to be protected in future.