



European Satellite Operators Association

European Satellite Under Siege

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“ESOA”

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European Satellite Operators Association

ESOA

- Association based in Brussels
- Represents interests of European satellite operators
- 11 full members, 3 supporting members (Arianespace/ EADS Astrium/ ISB)



Mission:

- ‘To work with key [European] organisations including the European Commission, Parliament, Council, the European Space Agency and other relevant international organisations to create the political, industrial and regulatory environments necessary to deliver vital communications services to citizens across the globe’



“create the political, industrial and regulatory environments necessary to deliver vital communications services” - What does that mean?

- Ensure accurate perception of satellite operators as providers of services [via satellite] rather than as providers of infrastructure and ensure satellite communications are not forgotten in policy-making
- Strengthen policy-makers'/ consumers' awareness of satellite services as a competitive and efficient alternative to other means of communication and defend the territory of satellites in relation to other modes of electronic transmission
- Defend, preserve, facilitate access for satellite services in markets accross the globe

Satellite operators provide access to communications infrastructure
Satellite as a competitive and efficient alternative means of communication

'Satellite operator' ~~=~~



- Policy-makers don't want to be financing large infrastructure projects
- REALITY:
SatOps are Enablers! Providers of far-reaching services that can be deployed anywhere based on existing infrastructure:
 - *SatOps can do 'Quick fix' or 'longer-term solutions'



Defend/ regain the territory of satellites in relation to other modes of electronic transmission

- EU context:

- ★Lisbon objectives: growth, competitiveness, sustainability; i2010: information, innovation; ICT's enabling social cohesion; 'TV without Frontiers'
- ★'Technology Neutrality'

REALITY:

- ★Subsidies to terrestrial operators to assist digital transition
- ★'Structural Funds' managed by regions given to terrestrial telcos

- Terrestrials:

- ★Age-old legacy of incumbents, traditionally state-owned
- ★Massive companies with huge presence and lobbying power
(BT: ca. 92,000 employees in UK alone)
(France Telecom: 110,000 employees in France alone)

Defend, preserve, facilitate access for satellite services in markets accross the globe

- '*NATURAL ADVANTAGES*' of Satellites:
 - ★ Can 'see' everything except national frontiers
 - ★ Can deliver data to masses of people at the same time
 - ★ Do not require physical presence to enable reception

➔ REGULATORS WORST NIGHTMARE

- 'Dependency of Satellites':
 - ★ Need spectrum
 - ★ Need certainty
 - ★ Need open markets

➔ REGULATOR'S REVENUE





Spectrum Management:

Limited resource, regulators looking for ways to optimise its use

E.g. OFCOM in the UK

“Let's let users of spectrum decide what it is worth to them”

- ★ Charge a Recognised Spectrum Access 'fee' = Opportunity Cost of spectrum not being used for another use
- ★ Legal basis upon which to offer the user protection from interference
- ★ ... a Voluntary scheme?

Concerns:

- ★ UK RSA could be contagious: means to raise €/ barrier to entry
 - ★ If 'outbid' in 1 country: user relying on mobile service may suffer interference
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- ➔ International systems need international regulation
 - ➔ “If it isn't broken, don't fix it”



Barriers to trade:

Countries looking to protect or foster their national industry

Satellite systems can deliver services anywhere ... unless governments stop them!

- ★ Foreign ownership restrictions
- ★ Local company requirement
- ★ Preferential treatment for local companies
- ★ Long, cumbersome procedures

- Any administrative requirement is a cost
- When the requirement is excessive, it is a BARRIER

E.g.'s:

Russian Federation: Decree for preferential use of Russian satellite systems

Brazil: Foreign SatOps must provide services via a locally established company

Satellite under Siege?

PRESENT:

- Satellite operators survive in unbalanced markets against tough competition
- Satellites are 'naturally' advantageous and highly competitive over other tech's in delivering the same message to masses of people at the same time e.g. broadcasting
- Existing capacity could be deployed to further use 'natural' benefits of satellites to enable connectivity

FUTURE:

- Markets becoming more sophisticated: increasing demand for bandwidth, incl. 'individual dedicated bandwidth' - people want more choice
- Bandwidth increasingly available at lower prices from terrestrial Op's
- Playing field may not be levelled

- Not under siege but inadvertently suffer due to the nature of environment
- Need to build on 'natural advantages'

Looking forward

- A CERTAINTY: The Digital Divide: a European problem: a big problem
 - *Not just broadband access
 - *Connectivity per se: access to information - digital TV/ internet
 - *Some persons unconnected because of *location: rural/ remote*
 - *Others unconnected because of *price: standard of living*
 - *Those who are left behind today may never catch up e.g. 3300 villages in Romania who havent even got a telephone (*CIA World Fact Book 2004*)
- 'Lisbon' said this DD is not acceptable: EU policy, but is there an EU tool?
 - *EU instruments can only ever pay for research or pilot projects or regional solutions, can never pay for operational business
 - *Structural funds can only ever enable locally affordable solutions
- Big 'European' problem deserves a bigger solution
- Satellites could deliver if given a chance and ultimately provide a better value for money use of public funds

LET'S HAVE A DISCUSSION...