



European Satellite Operators Association

Can Satellite be a solution for Cities and Local Authorities?

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- 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’

Satellites can reach anyone:

- 3 satellites can 'see' & serve the entire globe
- Can deliver data to masses of people at the same time
- Satellite receiver infrastructure can be deployed quickly

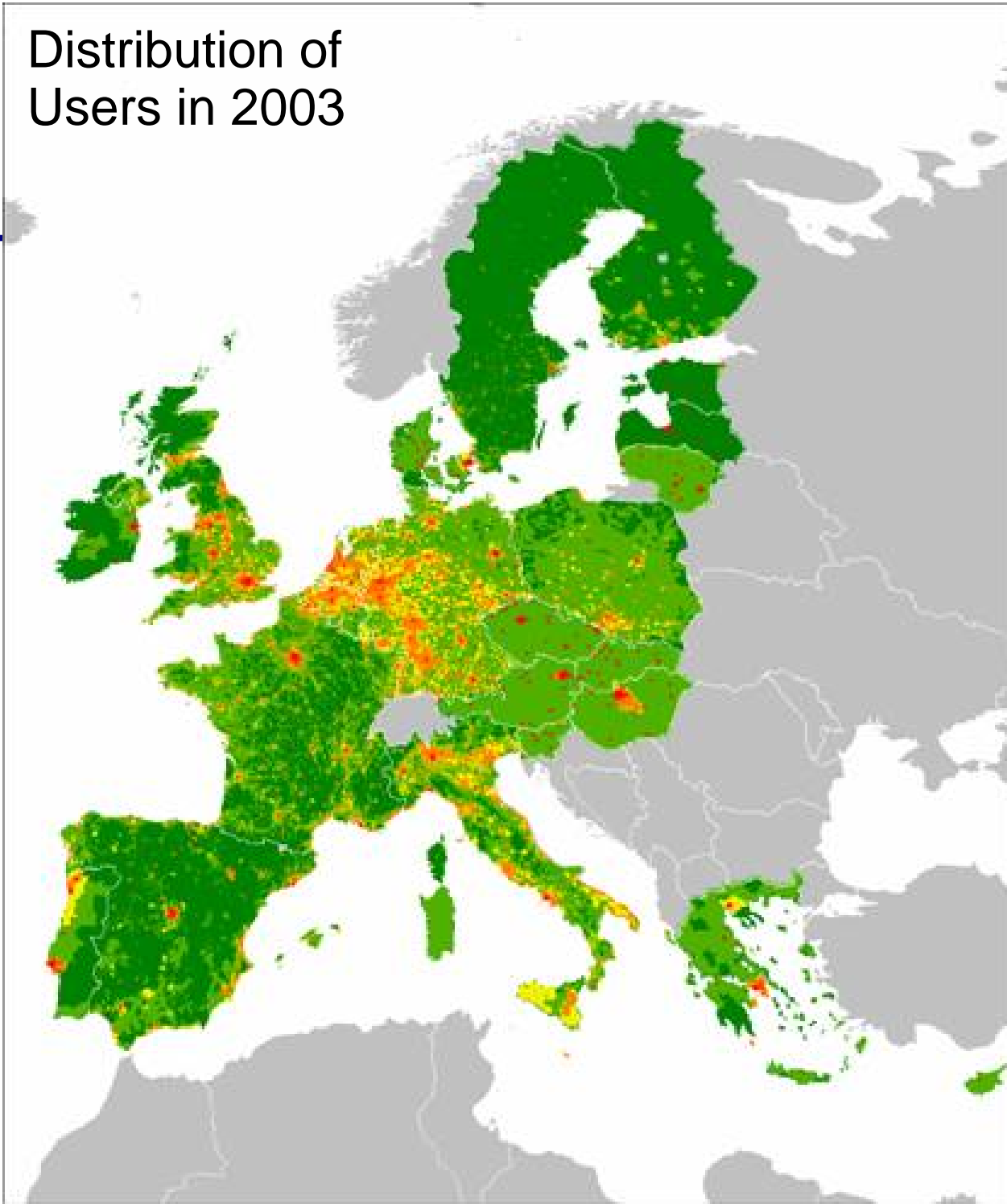
Today satellites provide many, often vital, rich media, services:

- TV channels/ live coverage/ news events
- Data/ voice/ internet/ mobile services

Often the presence of satellites goes unnoticed: 'Out of Sight, Out of Mind'

- Satellites can 'see' anyone, BUT they could serve many others – especially those unconnected today

Distribution of Users in 2003



Broadband Connectivity

- Densely populated (red) areas already wired by terrestrial broadband SP's.
- Terrestrial players moving towards smaller (green) towns but will not address all of them.
- ➔ Analysts say 10% ~15m European users will still be unconnected in 2009

Households per m2

■	1,000 to 1,000,000
■	100 to 1,000
■	50 to 100
■	10 to 50
■	0 to 10

- A lack of telephones/ computers/ internet access:
A DIGITAL DIVIDE with social/ political/ economic consequences
- It also implies a lack of information: Information is capacity-building so TV should be part of this as well
- ICT's become a discriminatory factor in a 'united' Europe!



The Economist's Perspective



Why is there a Digital Divide?

- Connectivity needs INFRASTRUCTURE
- Infrastructure means users have to cover INVESTMENT COSTS

TERRESTRIAL SOLUTION:

Requires significant number of users in specific limited area to be cost-efficient

SATELLITE SOLUTION:

Can solve the problem for a larger number of users anywhere over a much larger area

- Service/ data rates comparable to terrestrial solutions
- Satellite solutions are far-reaching/ can be deployed quickly (*existing capacity*)
- BUT: today they are still costly, especially when providing two-way broadband access

NO MARKET INCENTIVE TO PROVIDE SERVICES
IN RURAL AREAS TODAY



Public Sector Objectives

- EU public sector policy: 'Lisbon' said this Digital Divide is not acceptable
- This implies a financial commitment

The Public Sector's goal (whether on EU or national level) should be:

*To connect its citizens in the most cost-effective manner
optimising the use of the tax-payer's money*

- ✚ Implies making an informed choice on the basis of a competitive offer and a Technology neutral approach

ICT infrastructure choices:

- (a) A solution based on existing satellite capacity (quick and easily deployable)
- (b) A solution based on roll-out of more terrestrial infrastructure
- (d) A solution based on a combination of [these + other] technologies



EC's White Paper on Space:

“Satellite communications services can play a very important role in delivering broadband technologies to areas where ‘conventional’ solutions are not possible”

Second e-Europe Chamber Recommendation:

“A Pan-European Satellite Initiative for very sparsely populated areas”

Lisbon objectives:

Growth, competitiveness, i2010: information, innovation; ICT's enabling social cohesion with a Technology Neutrality approach

Reality:

- Fragmented smaller EU budgets: Option a) satellite – impossible without aggregation of regional and cities demand
- EC instruments pay for Research/ Pilot projects/ Regional solutions, never for operational business EVEN where no commercial incentive exists
- ‘Structural Funds’ managed by regions given to terrestrial Telco's
- Unlevelled playing field: Subsidies go to Telco's to assist transition to digital



Summary & Suggestions

- Satellites: A solution with Natural Advantages:
 - Ubiquitous coverage with one main piece of infrastructure
 - Existing capacity for quick-fix solutions
 - A wireless technology: no unsightly poles & cables
- A competitive alternative that survives in unbalanced markets
- Often overlooked due to the nature of the 'political' environment

WHAT DO WE NEED:

- Recognition from Local/ National/ European governments as a viable option
- A fair chance to compete alongside other technological alternatives:

EVERY TECHNOLOGY SHOULD HAVE THE CHANCE TO BID ITS BEST BID!



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THANK YOU

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