

European Satellite Operators' Association (ESOA) Media Briefing

May Day: 27th Sept 2012
Background information

In a nutshell:

- *The satellite sector is a huge success story for the EU & a sector with a huge (often invisible) impact on the daily lives of citizens*
- *It is also a major global industry with the top 4 global satellite operators, the 2 largest sat manufacturers and the #1 commercial launch service being European*
- *Despite the sector's success, perception of its contribution by the EU is slightly different: policymakers don't necessarily understand how we can help them to achieve their objectives E.g. Digital Agenda objectives and therefore don't consider us in their recommendations, policies and legislation ("lack of technology neutrality")*
- *We worry that the lack of understanding of our true role may affect our ability to continue to access key satellite spectrum & ultimately threaten other essential satellite services.*
- *The Booz report provides an independent vision of the role of the satellite sector in contributing to the EU 2020 strategy, by reference to the full range of satellite applications*
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- *We took the initiative to launch European Satellite Day to improve awareness of the impact that invisible satellite networks have on the daily lives of citizens/ to make a point of reminding policymakers of our constant contribution to EU policy objectives from year to year.*
- *Will we do this every year? Yes: ESOA is committed to informing Brussels annually about the ever-increasing relevance of satellite services*

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- A. WHO WE ARE: *The satellite sector is a huge success story for the EU:*** 4 of the world's leading operators are European/ the world's 2 leading satellite manufacturers are European/ the number 1 launcher is European. ESOA members count for more than half the communications satellites in orbit today: worth > €20bn. They deliver global communications services (broadcast to broadband/ mobile services for ships & planes/ backhaul for other networks/ emergency communications) and directly contribute to the operational implementation of European policies.
- B. THE ISSUE: *Although it's a great success, perception is slightly different: policymakers don't necessarily understand how we can help them achieve their objectives, both short & long-term.***
- a. This perception of satellite services stands in the way of satellite contributing to the future European communications infrastructure.**

E.g.1 If users are to enjoy a 30Mbps or 100Mbps experience in the home by 2020, then policymakers need to make sure terrestrial pipes do not get filled up with video content that is best carried by satellite. We are an essential component to delivering future high-speed broadband, even though with a less obvious role & this needs to be understood.

What is needed:

- A more holistic approach that recognizes that each technology needs to be played to its strength rather than an over-simplification of the solution, which is that only some technologies can deliver the Commission's objectives (that deliver with a very high price tag)
- Legislation that calls upon satellite to play its essential and integral role in future communications infrastructure, in particular in dealing with high volumes of 'broadcast' data

- b. *This perception makes it harder for us to deliver on pressing immediate goals: such as bridging the Digital Divide.*

E.g.2 If Europe's have-nots are to be brought online by 2013 it needs to be known & acknowledged that satellite broadband actually works very well and that it can form part of an overall solution. With broadband being a high profile issue, satellite gets profiled at the same time in front of MEPs & decision-makers in Member States, but as a last choice, so that it is often excluded in tenders or legislated with a 'one-size-fits-all' and/or fiber-biased approach.

What is needed:

- A re-statement of the need to meet the 2013 broadband for all objective as a top priority along with a targeted action-plan to connect Europe's 'have not's for whom high-speeds are not a priority
- Approval of State Aids based on a mandatory ex-ante cost-benefit analysis of the various options for delivering broadband services – connectivity is about services, not infrastructure!
- Caution when revising state aid rules that they are not written in such a way as to imply that some solutions are non-compliant (e.g. 'open access' to infrastructure cannot apply to satellite as competition takes place at service level rather than infrastructure level)
- Central guidelines for Member States and regions as to how to write technology-neutral tenders for broadband services

- c. ***THE CONCERN: We worry that the limited understanding of the true role of satellite may affect our ability to continue to access key satellite spectrum, which could threaten other essential satellite services.***

E.g.3 Satellite plays an increasingly important role in a broader (global) context. Many countries fight for orbital slots and spectrum as they clearly see the value added the technology brings. The EU needs to support the satellite industry in its quest to ensure its fair share of global slots/spectrum for Europe and to protect the advancements the industry has brought to Europe (in broadcast, broadband and beyond), also in its preparation for WRC-15.

Therefore we ask:

- That the Commission resists the pressure from mobile operators to secure spectrum that is exclusively for terrestrial mobile connectivity – a more holistic approach is needed as technologies converge or cooperate to deliver services
- For recognition of the real risks that satellite services can face from harmful interference, often more so than other technologies due to the delicacy of the signal that has travelled from space, the long lifetime of satellites and their regional/ global coverage
- Fair assessment of the value of satellite spectrum use by properly evaluating all relevant parameters - technical, economic and social efficiency – rather than applying a simple economic analysis that might discount particular satellite characteristics
- For explicit focus on the new provisions of the RSPD to ensure that there is adequate spectrum for new broadband services (Art 6.9), innovative audio-visual media/ other services for citizens (Art. 7) and safety services (Art 8.3) given the increased vulnerability facing all parts of the world
- On a global basis, we see consistent threats to the use of satellite spectrum by existing or proposed terrestrial services. The wider role of satellite in providing critical international infrastructure (e.g. international connectivity, emergency communications & so on) must be taken into account

For further information on **European Satellite day 2012** please visit visit: www.satelliteday.eu and to obtain a copy of the report or to get in touch with speakers, please contact:

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