

## [IT] Decree on charges for the exploitation of digital terrestrial TV frequencies

IRIS 2016-10:1/19

Ernesto Apa, Fabiana Bisceglia Portolano Cavallo Studio Legale

On 4 August 2016, the Ministry of Economic Development (Ministero dello sviluppo economico - "MISE") issued a decree which sets forth the contribution to be paid by digital terrestrial television network operators for the exploitation of frequencies (the "Decree"). The Decree has been published in the Official Journal on 21 September 2016, numbered 221.

According to s. 208 of the Stability Law 2016, MISE is in charge of determining the amount of the contribution, to be paid by both national and local network operators. According to the law, such amount shall be determined in a transparent, non-discriminatory and objective way, based also on (i) the geographical extension of the exploitation authorised; (ii) the market value of the frequencies; (iii) the use of innovative technologies; and (iv) a reward mechanism aimed at fostering competition.

The Decree stated the rates to be paid by national and local network operators for each digital terrestrial television multiplex, with the relevant criteria for the calculation of the amount due. The abovementioned contribution shall be paid by 31 July every year by the network operators holding the right to use the frequencies, regardless of the technology used for the provision of television broadcasting services. National network operators shall pay roughly EUR 2,000,000 per multiplex; this amount is equal to 7% of the average turnover from the provision of bandwidth capacity to broadcasters.

The contribution will be discounted by 20% if the national multiplex is at least 80% of its capacity operated with an innovative technology, like DVB-T2. In addition, further discounts will apply if the national network operator provides bandwidth capacity of the relevant multiplex to TV channels which are operated by third parties (i.e., by broadcasters not belonging to the same group): 20% discount if more than 30% of the bandwidth is provided to third parties, 40% discount if more than 50% of the bandwidth is provided to third parties, and 60% discount if more than 75% of the bandwidth is provided to third parties.

The Decree concerns only contributions to be paid for 2014, 2015, and 2016. Pursuant to section 4 of the Decree, MISE will establish the amounts due for 2017 with another decree, based on updated figures of the network operators' incomes.



MINISTERO DELLO SVILUPPO ECONOMICO DECRETO 4 agosto 2016 Determinazione dei contributi per i diritti d'uso delle frequenze digitali per gli anni 2014, 2015 e 2016. (16A06812) (GU Serie Generale n.221 del 21-9-2016)

http://www.gazzettaufficiale.it/atto/serie\_generale/caricaDettaglioAtto/originario;jse ssionid=7SF923YeSg5zFnm-Yp-rsw\_\_.ntc-as4guri2a?atto.dataPubblicazioneGazzetta=2016-09-21&atto.codiceRedazionale=16A06812&elenco30giorni=false

Decree of 4 August 2016, contribution for the right to use the digital frequencies to be paid for 2014, 2015 and 2016

