

[IT] AGCOM launches public consultation on criteria for converting rights to use the spectrum in the context of the 700 Mhz Band frequencies reframing

IRIS 2018-10:1/19

*Ernesto Apa & Marco Bassini
Portolano Cavallo & Bocconi University*

As required by Decision (EU) 2017/899, Italy is taking the necessary steps to reallocate the sub-700 MHz Band. In fact, in December 2017, the Italian Parliament passed the 2018 Budget Law, which laid down the legislative framework for the necessary actions to implement Decision (EU) 2017/899 and delegated the Italian Communication Authority (AGCOM) and the Ministry of Economic Development (MISE) to adopt the resolutions establishing the criteria and the modalities for the implementation of this process.

This spectrum reallocation process is based on two pillars: on the one hand, the release of the 700 MHz Band frequencies by 30 June 2022; on the other hand, the conversion of the current use rights to frequencies in the 700 MHz Band into use rights to bandwidth capacity in new nationwide multiplexes operated in DVB-T2 technology.

As to the first pillar, as we noted in our previous entry (see IRIS 2018-9/26) on 8 August 2018, MISE issued a decree setting a timeline for the release of the 700 MHz Band frequencies. With respect to the conversion of use rights, the Budget Law expressly delegated AGCOM to define the relevant criteria through a resolution to be approved by 30 September 2018. Accordingly, by means of Resolution No. 474/18/CONS, AGCOM launched a public consultation on the matter.

The resolution first focuses on the conversion criteria set by the Budget Law (Article 1, paragraph 1031); rights to use the spectrum held by national network operators will be converted into use rights amounting to 50% of the overall transmission capacity available on a national multiplex operated in DVB-T2 technology. The public consultation aims at determining which criteria, if any, should apply.

As to the assignment of use rights to frequencies in the 470-694 MHz UHF Band, AGCOM observed that at the entry into force of the Budget Law, all the operators that held use rights to frequencies for the digital terrestrial broadcasting in the national territory (in DVB-T technology) are eligible as recipients. More precisely, operators entitled to the assignment include:

-national network operators that individually hold use rights corresponding to the entire transmission capacity of a national multiplex in DVB-T technology, as planned in the 2018 National Frequency Distribution Plan (NFDP) (that is, holding two use rights amounting to 50% of the overall transmission capacity available on a national multiplex in DVB-T2);

-national network operators that jointly hold, by virtue of a commercial agreement, use rights corresponding to the entire transmission capacity of a national multiplex in DVB-T2 technology, as planned in the 2018 NFDP (that is, each one holding use rights to frequencies amounting to 50% of the overall transmission capacity available on a national multiplex in DVB-T2 technology).

As to the specific criteria for the assignment of the use rights to frequencies in the 470-694 MHz Band, AGCOM noted that the 2018 NFDP ensures equal performances in terms of the coverage, power and capacity of the networks in DVB-T2 technology. Accordingly, the relevant use rights for the new networks are deemed equivalent. In this regard, AGCOM shall also take into account circumstances such as the containment of network transformation or construction costs; the reduction of the transition period from 1 January 2020 to 30 June 2022; and the minimisation of the costs and the impact on end-users. These criteria, in the view of AGCOM, provide clear, complete and exhaustive guidelines for the reallocation process. With respect to the assessment of the relevant costs, an AGCOM resolution has established that the entitled operators, when applying for each single network in the UHF Band planned in the 2018 NFDP, shall provide MISE with a business plan relating to the transformation and construction thereof. In addition to specifying the relevant costs for the transformation and construction of, respectively, existing networks and new networks in DVB-T2 technology, the business plan shall include a description of the technical project and of the timeline for the transformation and/or construction of networks.

Delibera n. 474/18/CONS, Consultazione pubblica concernente la definizione dei criteri per la conversione dei diritti d'uso delle frequenze in ambito nazionale per il servizio digitale terrestre in diritti d'uso di capacità trasmissiva e per l'assegnazione in ambito nazionale dei diritti d'uso delle frequenze pianificate, ai sensi dell'articolo 1, comma 1031 della legge 27 dicembre 2017, n. 205

<https://www.agcom.it/documents/10179/11925698/Delibera+474-18-CONS/a4e91025-f719-4c08-95d6-4041b3b30678?version=1.2>

AGCOM, Resolution No. 474/18/CONS

