



By Gerry Oberst

European Satellite Broadband

Conflicting signals are coming from Europe on the role of satellite infrastructure in future broadband networks. The satellite industry is, of course, insisting to European policymakers that satellite has a crucial role to play. But a brace of European Commission papers on next-generation access networks and guidelines on national subsidies for broadband projects focus almost exclusively on optical fiber or other wired infrastructure.

We wrote in our August column about massive subsidy packages the European Union (EU) is developing to ensure that citizens have access to broadband services and the consultations the European Commission was conducting to regulate both the funding and the networks themselves. The stakes are high — the funding amounts to 1 billion euros (\$1.4 billion), and the regulatory principles are supposed to take into account whether viable alternatives are available in the market.

The satellite sector wants its networks fully considered. For instance, the European Satellite Operators' Association (ESOA) submitted comments in July seeking to highlight that satellite systems are inherently capable of providing next-generation access broadband services across Europe. The ESOA pointed out that many bandwidth hungry applications are well suited for delivery via satellite broadcast or multicast. Moreover, planning for next-generation access is future-oriented, based on promises from terrestrial operators of what capabilities and data speeds will be available. Satellite broadband performance also has been adapting, with significant technological leaps promised by new Ka-band satellites soon to be launched.

Another satellite effort that supports this thinking has been brewing throughout 2009. The Integral Satcom Initiative (ISI) prepared a position paper on the role of satellite in the future Internet. ISI is a "European Technology Platform" focused on European research and technology development. The group, which claims membership of 174 organizations from 27 different countries, issued its paper in early 2009, pointing out that satellite networks should be an important element in future network development. It argues

that satellite is a perfect technology for multipoint communications; that hybrid satellite-terrestrial networks balance the characteristics of each type of network and that satellite

broadband can offer Internet access where other technologies cannot. ISI says, "any communication system requiring ubiquitous access to the Internet must consider satellite as a part of its portfolio."

Is anybody listening on the policymaker side? The European Commission's first draft consultation paper on regulated access to next-generation access focused exclusively on the "transition from copper to fiber-based networks." Satellite infrastructure was not mentioned. Worse were the guidelines on application of state aid rules for rapid deployment of broadband networks, issued September 17. These guidelines were designed to explain how public funds can be channeled for the deployment of basic broadband networks as well as next-generation access networks to areas where private operators do not invest. On the one hand, the guidelines state that broadband services can be delivered "on a host of network infrastructures," including satellite. On the other hand, the Commission defined next-generation access solely as wired access networks, with a footnote saying that "at this stage ... neither satellite nor mobile network technologies appear to be capable of providing very high speed symmetrical broadband services."

This result is disheartening and out of the mainstream. For instance, the International Telecommunication Union World Telecommunication Policy Forum (WTPF), held in Lisbon in April, adopted an opinion recognizing the "integral role for satellite technologies" for next-generation access. One of the best indirect refutations of the limited perspective was posted by the European Commission itself the same week it released its guidelines. The Commission released a paper prepared for a conference on the contribution of information and communication technology to "the green knowledge society." This paper will be the foundation for discussions set for mid-November in Visby, Sweden, on ICT policy for Europe through 2015.

Satellite is mentioned in the "green knowledge society" paper once, but that mention is important, as it contradicts the Commission's guidelines for state aid to broadband. It asks how EU regulators should deal with next-generation networks and access and responds that it "would be a mistake to restrict [next-generation networks]. ... Any technology that meets demand should count as a [next-generation network] — an innovation opportunity for Europe, be it radio, satellite or cable TV." ▽

Gerry Oberst is a partner in the Hogan & Hartson Brussels office.