

GLOBAL REGULATIONS



By Gerry Oberst

Europe Adopts Mobile Satellite Selection Procedures

European satellite operators had their summer

plans cut short when the European Commission in early August issued the structure for selecting mobile satellite service (MSS) systems in the 2 GHz frequency range. After the European Union Parliament and Council adopted the Commission proposal for a selection structure in late June, the Commission issued a call for applications on Aug. 7. Operators then scrambled to prepare applications by the Oct. 7 deadline.

This selection structure is the first pan-European process for selecting operators of satellite communications systems. Some years ago, certain European satellite companies clamored for a common selection process for 2 GHz MSS because the spectrum was going unused. The European Conference of Post and Telecoms Administrations years earlier had adopted a voluntary system for choosing applicants, but no company succeeded in meeting the deadlines for a full network covering Europe.

Taking note of this void, the European Commission proposed to create a single selection process to replace national licensing systems. The claim was made that the divergence in national procedures impeded legal certainty for applications. This notion rang somewhat hollow, because operators have successfully launched and operated dozens of satellite systems, including MSS, across Europe for several decades using the existing national authorization structures.

Be that as it may, the deadlines now are upon the operators, who can apply for no more than 15 megahertz in each direction within the available 30 megahertz from 1.980 GHz to 2.010 GHz and 2.170 GHz to 2.200 GHz. If only two applicants meeting the eligibility criteria file by the October deadline, then the selection would be easy. If more than two operators file for the license as expected, then the Commission will have to make tough decisions on a series of selection criteria laid out in the official documents.

The eligibility criteria include commitments that the applicant will cover at least 60 percent of the land area of the European Union member states from the time the service commences. An applicant also must commit to make service available to at least 50 percent of the population and 60

percent of the land area of all member states no later than seven years after the selection. Applicants also must meet a series of milestones, including filing for the orbit location and frequencies with the International Telecommunication Union and setting up binding agreements for satellite manufacture, launch and ground station construction.

Throughout the selection process, the Commission is supposed to assess the credibility and viability of the proposed MSS systems in light of the detailed business plans that applicants must submit. The call for applications sets out the selection criteria the Commission will use. Various weights are assigned to "consumer and competitive benefits," including how early the system will operate, spectrum efficiency, pan-European coverage and certain "public policy objectives," including the range of services in rural or remote areas.

Roughly around November, it will publish a list of admissible applicants. During that period, or no later than 80 working days after the application is submitted, applicants also must complete the critical design review of their proposed system. Many assessments of this 2 GHz MSS process focus on the prospect that it will lead to new mobile TV services. Indeed, some applicants are known to be focusing on that type of service, but it is not required by the decision and could well be weighted lower in the selection criteria on spectrum efficiency.

By February 2009, the Commission should publish a list of applicants eligible for a second selection phase. It then has two-and-a-half months to select applicants if there is no spectrum scarcity or four months if there are more applicants than available spectrum, which would push the process to June.

The Commission anticipates that the first MSS satellite launches under this new process could occur in the course of 2009.

The Commission proposal took longer than hoped to be put into place, and the decision itself says that selection criteria for MSS should "exceptionally" be harmonized. Industry is arguing that any such pan-European selection process should be the exception and not the rule.

The relative success of this first pan-European selection process may determine whether others are set up in the future. ▀

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