

## **Florence School of Regulation**

### **Communications & Media**

# **Spectrum Management in Europe**

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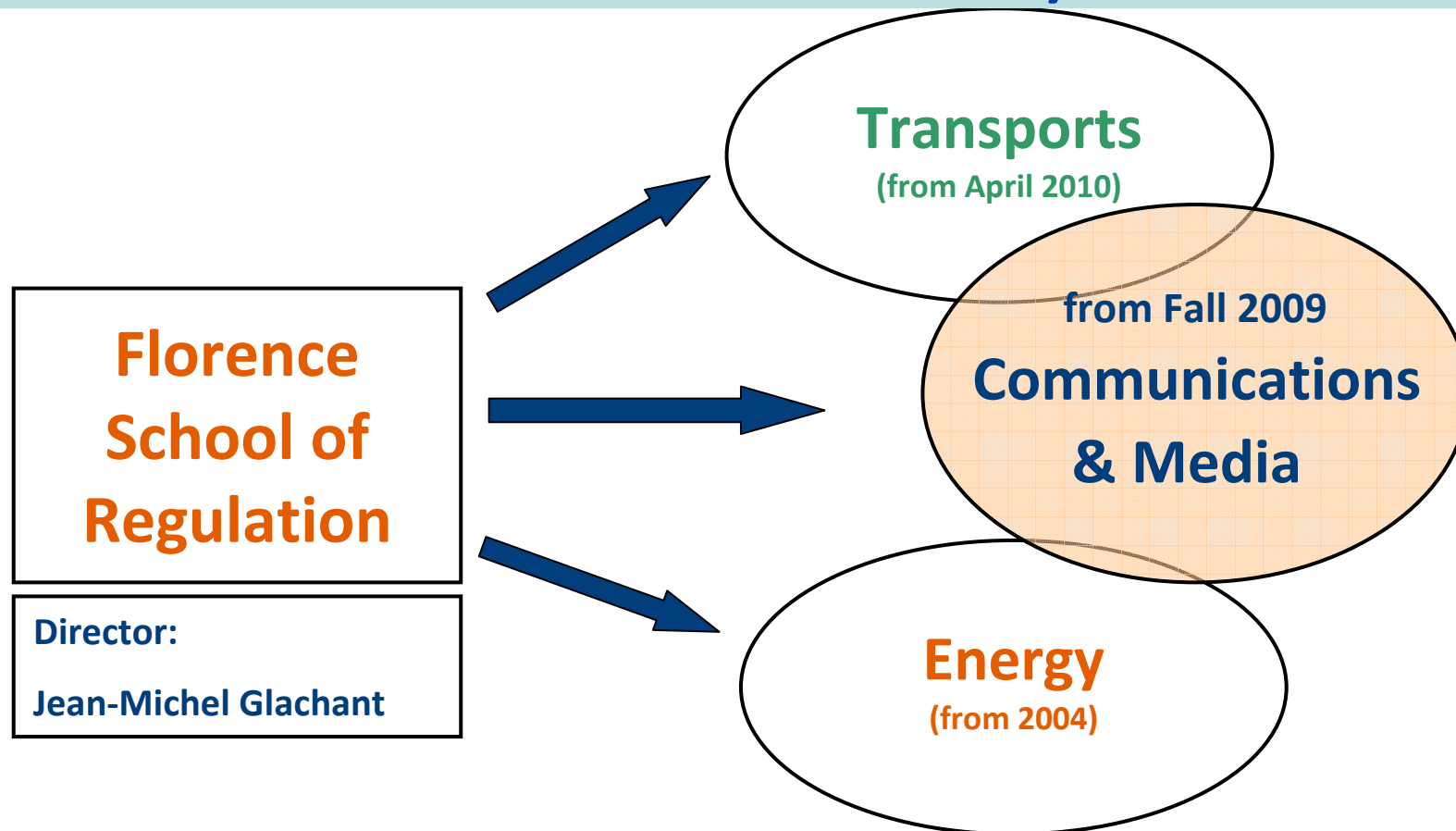
Director Area Communications & Media

*16th April 2010*

*Badia Fiesolana, Sala Teatro - San Domenico di Fiesole*



## Areas of Activity



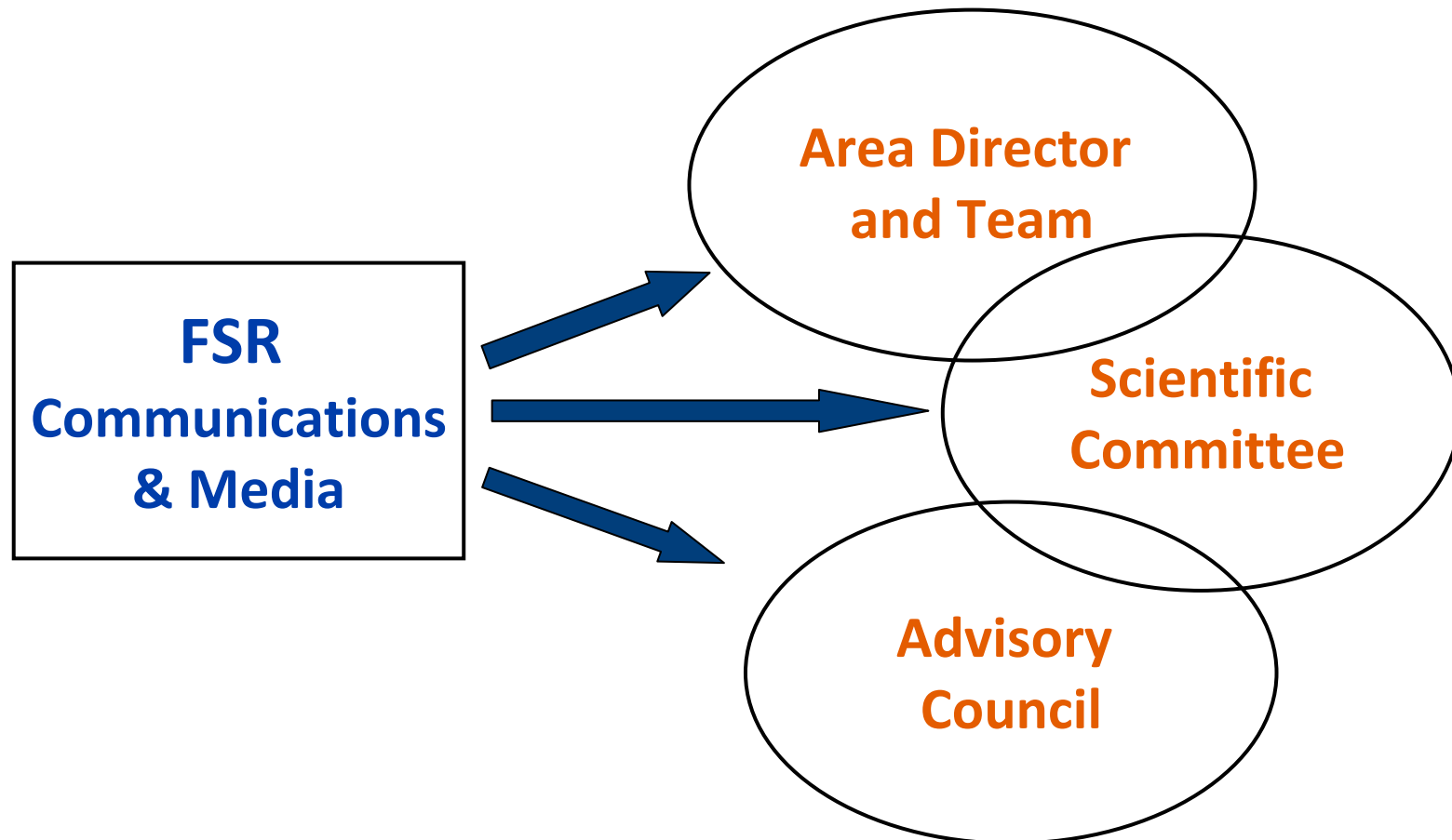
## Institutional Partners



Despite economic and technological convergence of Telephone, Internet, Television and other Media, sometime the same NRAs are not in charge also for Media regulation → FSR Coms&Media is now setting institutional relationships with some of the Media only regulators and prospectively establishing a partnership with EPRA - European Platform of Regulatory Authorities, as already done with IRG



## Structure





## Structure: Area Director and Team

The **Area Director** provides management initiative and coordinates all the Communications & Media activities. He is supported by *a team* of few scientific advisors, research fellows and project assistants, which represents the permanent core team of the School placed at Villa Malafrasca one of the EUI sites. Soon we will move to the gorgeous 15<sup>th</sup> century Villa Salviati, where at present the EUI hosts the historical archives of the European Union





## Structure: **Scientific Committee**

The **Scientific Committee**, chaired by the Area Director, ensures that all School activities can reach the highest academic standards and quality while maintaining a direct and continuous contact with actual and present regulatory issues. At present, the Scientific Committee is composed of:

**Erik Bohlin** (Chalmers University of Technology, Gothenburg)

**Marc Bourreau** (ENST – Telecom ParisTech)

**Carlo Cambini** (Politecnico di Torino)

**Alexandre de Streel** (University of Namur )

**Marco Gambaro** (University of Milano “Statale”)

**Steffen Hoernig** (Universidade Nova de Lisboa)

**Scott Marcus** (WIK-Consult GmbH)

**Antonio Nicita** (University of Siena)

**Martin Peitz** (University of Mannheim)

**Brigitte Prissel** (International Communications Society)

**Patrick Rey** (IDEI, University Toulouse I)

**Heike Schweitzer** (University of Mannheim)

**Peggy Valcke** (K.U. Leuven)

**Tommaso Valletti** (Imperial College Business School)



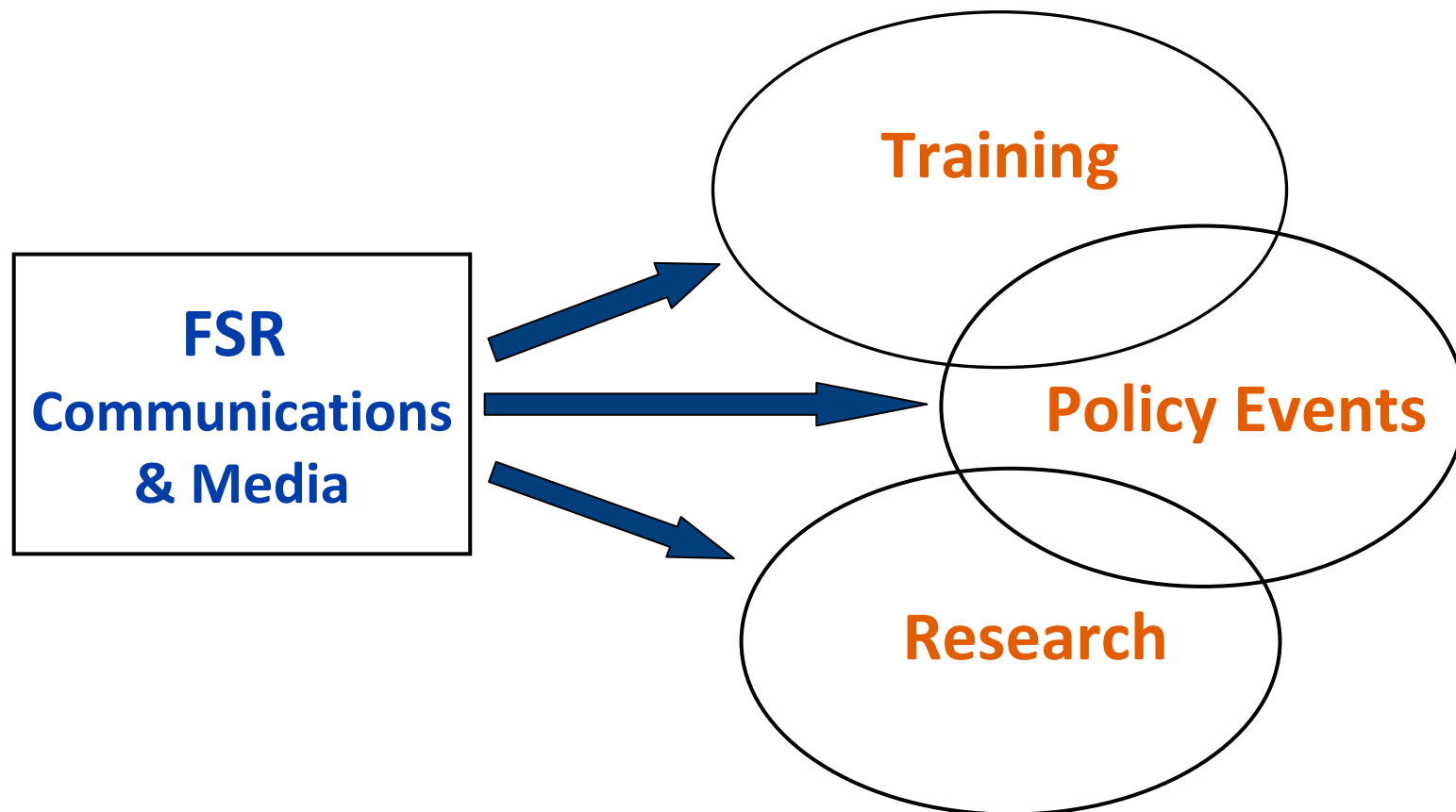
Structure:

## Advisory Council

The **Advisory Council**: which will include representatives from all **major Sponsors**, provides suggestions to the Area Director concerning the overall working programme and financial plan. The Advisory Council can express its opinion on any issue of the FSR - Communications & Media activity, policy events organization, research and training.



## Activities





## Activities:

# Training

Training is thought to represent a very relevant goal of FSR, maybe its true core activity. Training courses are open to **officers** from School Institutional Partners (NRAs and European Commission) and companies sponsoring the School

The FSR training program will include:

- ◆ **Annual Training:** a state-of-the-art course about Communications & Media Regulation held annually from October to June. The course will be divided in three blocks: i) a residential week in Florence during which major regulatory topics are introduced; ii) an e-learning course ([www.elearning-fsr.net](http://www.elearning-fsr.net)) lasting from November to May, divided into modules; iii) a residential week in Florence mostly devoted to the discussion of relevant case studies and the presentation of further practical regulatory topics.
- ◆ **Specialized Training:** advanced and in-depth courses on specific subject matters for staff of regulatory bodies and of Communications & Media companies
- ◆ **Training à la carte:** FSR organizes specific courses on regulation upon request of Regulators European institutions or Sponsors



Activities:

## Policy events

The FSR organizes three different types of policy events:

- ◆ **Annual Conferences:** to disseminate or collect information and research results about regulatory issues and to compare international experiences



**21st June 2010: “Diverging electronic communications regulatory trends in Europe and the US: comparisons, reasons and consequences”**

- ◆ **Workshops :** to discuss major policy issues among regulators, academics and sponsors
- ◆ **Scientific Seminars:** to present original scientific and policy research or to start an in-depth scientific debate on specific regulatory topics.



Activities:

## Research

- ◆ **Working Papers:** a working papers series on “*Regulation of Communications & Media*” is supervised and contributed by the Scientific Committee → A Call for papers will be issued during the year, related to a Scientific Seminar
- ◆ **Post-doctoral fellows at the RSCAS/FSR:** fellowships are intended to support post-doctoral analytical and empirical research about regulation of Communications & Media → we will host the first post-doc Research “Jean Monnet” Fellow in September 2010
- ◆ **Visiting fellows:** the Communications & Media Area of the Florence School of Regulation can host Visiting Fellows (scholars and practitioners) who wish to conduct research about regulation of C&M and participate to School policy events



# Today event

Today we will debate of:

## **Spectrum Management in Europe**

- Spectrum management policies
- Market-based mechanisms of spectrum management: Allocation, Assignment and Pricing
- Digital Dividend in Europe



# Spectrum management policies

**Great importance of spectrum-based services within also Telephony and Internet**

**Radio spectrum policy involves different public interest and level of governance:**

- Industrial policy element: driver of EU development and growth (Lisbon strategy and Europe 2020 strategy)
- Social and distributive goals: dealing with the digital divide (infrastructural) through the development of wireless broadband access → social inclusion and services for citizens
- Cultural goals: enhancement of pluralism and diversity
- European and multi-national governance → coordination and harmonization
- National related issues



The European Commission in the **recent amendment of the Framework Directive (8a3)** is establishing a Program of radio spectrum policy in order to “set out the policy orientation and objectives”: i) envisioning long-term spectrum planning – ii) the consequent open consultation - ended just few days ago – aimed at setting policies goal and objectives within the Program (and not only how to better reach a certain goal) – iii) the enhanced role of the Radio Policy Spectrum Group



## Mechanisms of spectrum management

**Within Spectrum management, many regulatory dimension are involved and different combinations of them:**

- Private property rights vs commons
- Harmonization vs Decentralization
- Auctions (direct or incentive) vs Beauty contests vs “first come, first serve”
- Command & Control vs Market mechanisms and flexibility



**Given the high complexity of the pure theoretical analysis, benchmarking and empirical analysis are fundamental. We are starting to have those possibilities in order assess market outcomes and effects on consumer welfare and growth of possible combinations:**

- market structures 10 years since 3G auctions
- possible comparison with US



# Digital Dividend

**Allocative efficiency is the main driver but distributive choices are at the core of difficulties**

**Few elements seems to be present in the Commission approach:**

- Cautions in dealing with broadcasting, because of its political and social role
- Widespread perception of lower value of spectrum use in broadcasting: poorer industry with a legacy of free assignments of spectrum
- Possible development of new and more profitable uses and services
- Technologic and service neutrality
- Difficult transition from traditional national dimension to a common European approach



**It will be very interesting today to understand better how National Regulatory Authorities perceive the issue and if they agree with the Commission approach**