

Comments on Ofcom's Draft Annual Plan 09/10

The Voice on the Net Coalition Europe ("VON") welcomes the opportunity to comment on Ofcom's Draft Annual Plan 09/10 (hereafter "the Draft "Plan").

VON would like to comment specifically on two issues, which relate to Questions 2 and 3 of the Draft Plan, namely:

- Question 2: What are your views on Ofcom's proposed policy work programme and top priority areas for 2009/10?
- **Question 3:** What are your views on the elements which should be contained within Ofcom's new strategic framework?

Point 1.08: Four areas

VON agrees with the four areas identified by Ofcom in its proposed work programme, namely:

- driving forward a market-based approach to spectrum;
- promoting competition and innovation;
- ensuring the delivery of public interest objectives; and
- improving empowerment, protection and enforcement for citizens and consumers.

On spectrum, we have made some additional remarks in the section below relating to Point 1.14 of the Draft Plan.

As regards promoting competition and innovation, VON would like to point out that competition and innovation are critical in the information society at ALL LAYERS of the Internet ecosystem, i.e. at the infrastructure level but also and very importantly at the services and applications level. After all, innovative applications, services and content are what drive the demand for broadband at higher speeds and must thus be enabled and promoted by a light touch regulatory approach that focuses on opening access rather than burdening innovative services with multiple obligations.

VON would therefore suggest that under 2.3 of the Draft Plan, Ofcom would enlarge the scope of its objectives to "ensuring that a wide range of electronic communication services <u>and the content</u>, <u>applications and services that run over them</u> (...) is available throughout the UK"

This objective should in turn be reflected in point 5.54 et seq. of the Draft Plan, and in the way Ofcom frames its new strategic framework.

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Point 1.14: Proposed priorities for 2009/2010

VON agrees with the priorities identified by Ofcom in this paper but would just like to add some thoughts relating to spectrum, an issue mentioned under point 3.10 et seq. and point 5.51 et seq. in Ofcom's Draft Plan.

Radio spectrum is recognised as an increasingly important link in the delivery of broadband network access, especially to areas that might otherwise be underserved. It can support a multiplicity of technical solutions, which makes it an optimal tool for enabling many advanced and innovative communication and information society services. Full utilisation of spectrum, therefore, will be critical to the achievement of the objectives of the European i2010 initiative, and UK's objectives and recognition that "Spectrum is a key resource for the UK economy and society".

The importance of adopting a consistent EU-wide approach to spectrum use cannot be overstated. Consumers desire services and devices that can operate across Member State borders, but the expense to industry of applying for multiple licences, as well as the technical difficulties associated with accessing different frequencies and potentially using different technologies in each Member State, are impediments to meeting this demand. As such, the market for pan-European Electronic Communications Services offerings remains only partly exploited.

VON believes the switchover to digital television and the subsequent management of the digital dividend provides a particularly opportune moment for the introduction of a harmonised policy on spectrum management and the adoption of rules that permit the most efficient use of unused spectrum in the allocated spectrum for TV broadcasting in particular.

To summarise, VON would therefore suggest that Ofcom considers focussing on the following area in its strategic framework:

- In its objective to continue its work at European level, both with the Commission, the ERG and other relevant fora such as CEPT, Ofcom should aim to achieve more harmonisation and cross-border coherence in the spectrum arena.
- Ofcom should continue its push for the introduction of more spectrum trading in order to increase efficiencies in the management of spectrum.
- All these considerations should be specifically reflected in Ofcom's approach to the Digital Dividend.

We thank you in advance for taking consideration of these views. Feel free to contact Caroline De Cock, Executive Director VON Europe, by phone (+ 32 (0)474 840515) or email (cdc@voneurope.eu) should you need further information.

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ABOUT the VON Coalition Europe

The Voice on the Net (VON) Coalition Europe was launched in December 2007 by seven leading Internet communications and technology companies, on the cutting edge – iBasis, Intel, Google, Microsoft, Rebtel, Skype and Voxbone – to create an authoritative voice for the Internet-enabled communications industry.

The VON Coalition Europe notably focuses on educating and informing policymakers in the European Union in order to promote responsible government policies that enable innovation and the many benefits that Internet voice innovations can deliver.