



# **“Digital Dividend And Refarming Policy. Comparative Study and Market Effects”**

**June 2012**

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# Executive Summary

This study covers broadly the Digital Dividend and Refarming concepts, technical issues and policy and market implications.

The additional spectrum made available after refarming and digitization – the Digital Dividend – is an opportunity to increase worldwide access to telecom services and applications. However, the digital dividend per se is not the answer to the spectrum shortage that the telecom world will continue to face in the future. Hence, the implementation of refarming policies and the way the digital dividend is used and managed has a number of implications both in the regulatory arena and in the telecom market that can help optimize spectrum resources.

## **Key findings include:**

- Regional focus will continue to be a priority over global coordination.
- Technology of choice is also a matter of regional and domestic priorities. Some countries will need to apply the digital dividend with access/coverage in mind rather than for mobility and broadband services. This could have an impact in the technology of choice.
- The availability of spectrum from the DD is not a goal per se, but rather a means. Auction design and other policies related to the DD and refarming are key to efficient policy implementation.
- On average, countries in all regions could have an additional 300 MHz of spectrum from successful and efficient DD and refarming processes.
- The Mobile market worldwide is expected to continue growing and reach 7.7 billion subscriptions by 2016. However, how the market develops over the next few years will be heavily dependent on the availability of additional spectrum. Worst case scenarios show investments in the industry could fall up to 10.7% if DD spectrum availability is delayed.
- Additionally, the lack of available spectrum could have an impact on technological change and mobile broadband expansion
- Although the DD is not the final answer to the spectrum shortage, its efficient use and implementation can help lessen the impacts of spectrum scarcity.

# Table of Contents

<b>I. INTRODUCTION.....</b>	<b>6</b>
<b>II. THE DIGITAL DIVIDEND: CHALLENGES AND OPPORTUNITIES .....</b>	<b>8</b>
I. DEFINITIONS AND CONCEPTS .....	10
II. A MATTER OF INTERNATIONAL POLICY .....	12
III. OPPORTUNITIES AND THREATS FOR DD AND SR.....	12
<b>III. TECHNICAL CONSIDERATIONS: SPECTRUM, CONDITIONS AND SERVICES ..</b>	<b>15</b>
I. DD BANDS AND THEIR TECHNICAL CONDITIONS .....	16
II. TECHNOLOGY, DD SPECTRUM AND ITS IMPLICATIONS.....	27
<b>IV. PUBLIC POLICY AND REGULATION: REFARMING, THE DD AND ITS</b>	
<b>IMPLICATIONS .....</b>	<b>29</b>
<b>V. MARKET EFFECTS: BB, BUSINESS AND THE DD .....</b>	<b>39</b>
<b>VI. REFARMING AND DD POLICIES: A COMPARATIVE APPROACH .....</b>	<b>43</b>
<b>VII. OPTIMIZING SPECTRUM RESOURCES: POLICY RECOMMENDATIONS FOR</b>	
<b>THE DIGITAL DIVIDEND ERA .....</b>	<b>48</b>
<b>VIII. CONCLUSIONS .....</b>	<b>52</b>

# List of Figures

Figure 1: A First Assesment: Opportunities and Threats .....	8
Figure 2: Mobile Cellular Market Worldwide.....	9
Figure 3: Digital Dividend Bands by Region .....	16
Figure 4: Digital Dividend Bands Channelization Standards.....	17
Figure 5: Digital Dividend Bands Technical Conditions: North America .....	18
Figure 6: Digital Dividend Bands Technical Conditions: Latam (Sample Countries) .....	20
Figure 7: Digital Dividend Bands Technical Conditions: Europe (Sample Countries).....	21
Figure 8: Digital Dividend Bands Technical Conditions: Asia Pacific (Sample Countries).....	24
Figure 9: Digital Dividend Bands Technical Conditions: Africa and Middle East (Sample Countries).....	26
Figure 10: The Digital Dividend by ITU region .....	29
Figure 11: Refarming and Spectrum Availability .....	30
Figure 12: Mobile Cellular Market Worldwide and Mobile Subscriptions Forecast: (Millions) and Growth (%).....	31
Figure 13: DD Spectrum Auction Comparative Data.....	31
Figure 14: Mobile Spectrum Auctions.....	33
Figure 15: Broadband Penetration 2011 - 2010 .....	35
Figure 16: Penetration and Spectrum Allocation .....	36
Figure 17: Mobile Market Concentration .....	37
Figure 18: Mobile Market Growth Forecast: Worldwide .....	39
Figure 19: Mobile Penetration Rate: Worlwide.....	40
Figure 20: Investment in Mobile Services: OECD relevant countries .....	40
Figure 21: Investment Scenarios: LTE .....	42
Figure 22: Alternatives to LTE DD roll-out if Spectrum Unavailable in Targeted Timeframe (2012-2014) .....	43
Figure 23: Digitalization and the Digital Dividend: Comparative Analysis, Europe .....	44
Figure 24: Digitalization and the Digital Dividend: Comparative Analysis, Americas.....	45
Figure 25: Digitalization and the Digital Dividend: Comparative Analysis, Asia.....	46
Figure 26: Digitization and the Digital Dividend: Comparative Analysis, Africa and Middle East .	47