

Meeting with Ms Maria Åsenius, Head of Cabinet of Commissioner Malmström, DG TRADE

13th May 2015

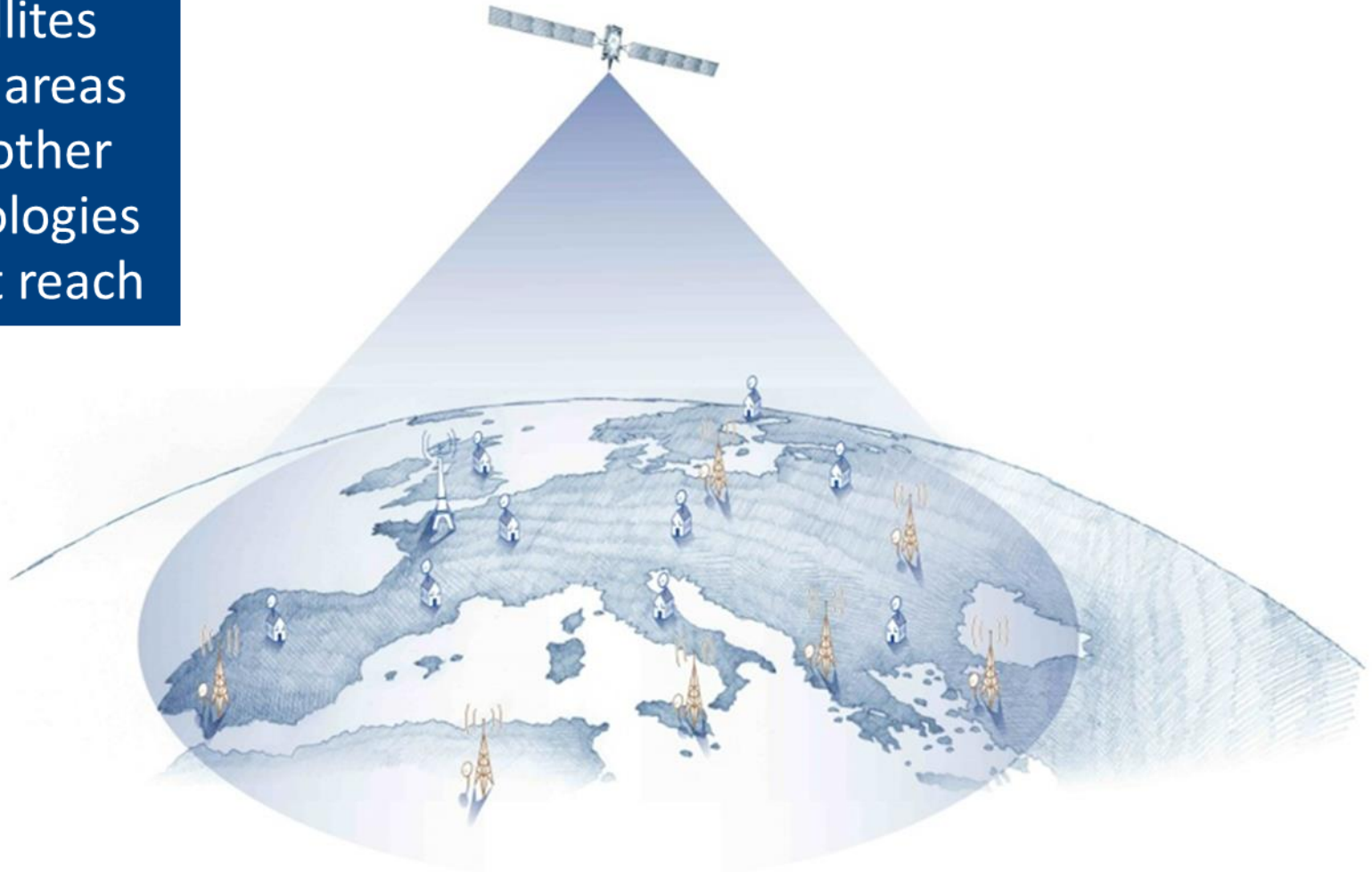


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Satellites
reach areas
that other
technologies
cannot reach



Europe is home to the world leaders of the global satellite sector

- The 4 largest satellite operators are European (SES/ EUTELSAT/ INMARSAT/ INTELSAT)
- 2 out of the 4 main satellite manufacturers are European (Airbus & Thales Alenia Space)
- The world's most successful launch service provider is European (Arianespace)
- EU Member States set precedents for regulating space-based services across the globe

Satellites provide essential telecoms services in the EU & beyond

- Inclusive: providing global information & connectivity in digitally divided locations with broadcasting & broadband services, telemedicine, tele-education & GSM backhaul
- Critical: government services - including crisis & emergency communications, e.g. 2015 Nepal, Vanuatu
- Key for economics: Maritime, Oil & Gas, Mining

A day without satellites...



... Would result in billions of consumers, governments & businesses being without critical communications services

- **Satellites facilitate cross-border trade**
 - They provide ubiquitous, secure communications via satellite capacity (as opposed to submarine cable or ‘dark fiber’ as alternatives)
- **Satellite operators fly a space-based infrastructure capable of delivering services globally without the need for physical presence in each market**
 - Local distributors/ service providers with in-country presence (i) provide retail services to end users (ii) undertake foreign direct investment & (iii) are subject to local regulation (e.g. TV broadcasters, ISPs or other ‘service providers’)
- **Satellite operators are still often burdened with additional market access requirements & unnecessarily duplicating obligations already imposed on local distributors**
 - The provision of space capacity should be unrestricted
 - There is no need to require licenses or impose regulatory requirements as the satellite has already been licensed by the flag administration and coordinated through the ITU process
 - At the EU level this activity is deregulated

- **Non transparent and discriminatory procedures**

Licensing procedures needs to be streamlined & transparent and should be the same regardless of whether accessing domestic or foreign satellite systems. Countries should be encouraged to act on foreign satellite access applications within a reasonable period of time, not exceeding six months, & to apply procedures and fees that are no less burdensome than those for use of national satellite systems

- *Examples: Russia, China, Egypt, Philippines*

- **Preferential treatment of local satellite operators**

National governments should not to give preferential or exclusive treatment to national satellite operators (“no Most Favored Nations exemptions”) as that will ultimately limit the choices the customers have.

- *Examples: Russia, India, China, Malaysia, Turkey*

- **Security concerns**

Security restrictions on MSS (mobile satellite services) & FSS (fixed satellites services) operators require the deployment of particular gateway infrastructure despite the fact that more advanced technologies can meet policy concerns.

- *Examples: India, Russia*

● Local presence requirements

The service provider, and not the global satellite operator, is the entity that has a presence in the country where the service is provided. It would not be feasible for satellite operators to maintain a local presence in all countries their satellites cover or terminals circulate in.

➤ *Examples: Brazil, Mexico, Kazakhstan, Brazil, Malaysia, most Middle East countries, Russia*

● Monopolies

Satellite operators should be able to sell directly to their customers, and not through national incumbents

➤ *Examples: Korea, Thailand, India*

● Lack of free circulation & use of satellite consumer terminals

Satellite terminals should be exempt from custom duties, not subject to duplicative type approval tests, and freely deployable

➤ *Examples: Russia, Belarus, Yemen*