

3GPP/PCG Meeting#2
Sophia Antipolis,
6-7 July 1999

3GPP/PCG#2(99)35

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Source: K. Lathia

Title: OHG Harmonization – Press Release from FCC

Agenda item: 7

Document for:

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| Decision | |
| Discussion | |
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News media Information 202 / 418-0500
Recorded listing of release and texts
202 / 418-2222

Federal Communications Commission
445 12th Street, S.W.
Washington, D. C. 20554

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F.2d 385 (D.C. Circ 1974).

FOR IMMEDIATE RELEASE
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July 2, 1999

**UNITED STATES WELCOMES PROGRESS IN GLOBAL STANDARDIZATION
OF NEW WIRELESS TELECOMMUNICATIONS TECHNOLOGY**

The United States Government today called upon the European Union to join it in welcoming a proposal, developed by telecommunications service and equipment suppliers from thirteen countries, that would promote global harmonization of the wireless communications technologies of the next century. The International Telecommunication Union (ITU), at a meeting of experts in Beijing, China that concluded on June 11, 1999, endorsed a proposal from the Operators Harmonization Group (OHG). The United States expects that regional standards organizations in North America, Europe, Japan and elsewhere will complete standards-setting activities within 1999, based on the desire of many countries to begin deploying these services as soon as possible. The United States Government called attention to this significant multilateral achievement in a letter to the European Commission signed by United States Trade Representative Charlene Barshefsky and Department of Commerce Secretary Daley.

“We believe the OHG framework is a market-driven solution that would maximize the potential growth of an exciting new array of mobile multimedia services delivered over high bandwidth radio-communications networks,” said Commerce Secretary William Daley. “The broad multilateral support for this proposal speaks well of its potential for combining the explosive growth already underway in the data and wireless telecommunications fields.”

“The trade and growth opportunities created by the OHG framework are enormous and reflect a shared commitment by regulators and industry to the multilateral process of the ITU,” stated Ambassador Barshefsky. “We now need to ensure that EU Member States actually license and assign radio spectrum on the basis of all standards approved by the ITU, and honor their WTO commitments with respect to technology-neutral licensing, unlimited market access and unlimited national treatment for U.S. suppliers of wireless telecommunications services and equipment.”

The OHG framework provides for technical “hooks” and “extensions,” to be designed into software and hardware elements of the proposed standards in four stages, that will maximize inter-operability between existing and next generation digital wireless communications networks. It aims to reduce the costs of upgrading and building new networks; to expand the ability of consumers to use third generation (3G) equipment on the networks of different suppliers and in different countries; and, to promote global competition in the supply of wireless telecommunications equipment and services.

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“We are pleased with the ongoing industry-led efforts, within the ITU and in regional standards organizations, to achieve a global consensus that would harmonize third generation wireless telecommunications standards to the fullest extent possible,” said Federal Communications Commission Chairman William Kennard. “I urge the authors of the OHG framework, who represent major service and equipment suppliers in North America, Europe and the Asia-Pacific region, to embrace fully the challenge issued by ITU experts in Beijing to work cooperatively through their respective regional standards organizations and to complete standards development work based on the schedule set out by the ITU.”

Regional standards organizations must move quickly to finalize the details of the OHG framework in time for it to be available when regulators in Europe, Japan and elsewhere make expected early 3G licensing decisions. European Union Member States, under an EU decision, must begin licensing by January 1, 2002. However, U.S. government and industry are concerned that one key European standards body, the European Telecommunications Standards Institute (ETSI), may not complete standardization of the OHG framework in time to meet the ITU schedule and EU member state licensing deadlines. Moreover, there is concern that some EU Member State telecommunications regulators may issue licensing rules that foster relatively greater regulatory certainty for the single 3G standard currently approved by ETSI.

Operators of digital wireless telecommunications systems in the United States, under FCC rules, may upgrade their existing systems to the 3G technology of their choice at any time, based solely on commercial considerations.

A copy of the letter is attached.

- FCC -

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IN 99-25

The Honorable Karel van Miert
Commissioner for Industrial Affairs
and Information and Telecommunications Technologies
The European Commission
Rue de la Loi 200
B-1049 Brussels, Belgium

Dear Mr. Commissioner:

Congratulations on your appointment as Commissioner for Industrial Affairs and Information and Telecommunications Technologies. We look forward to working closely with you in your new capacity.

We are writing today to share with you our support for the industry-developed proposals to harmonize, on a global basis, standards for third-generation wireless telecommunications systems that were recently endorsed by the International Telecommunication Union (ITU) experts' meetings in Fortaleza, Brazil, and Beijing, China. The proposed harmonized global standards, with a choice of multiple access methods to meet the many different wireless operating environments around the world, were developed by the major operators and equipment suppliers of thirteen North American, European, and Asia-Pacific nations. It is in our mutual interest to embrace these proposals and to discourage governments from adopting measures that would undermine the industry consensus reached on these proposals.

We welcome the initiative recently taken by European Commission and Member State representatives to hold an official discussion of licensing under the EC's Universal Mobile Telecommunications Services (UMTS) decision. However, several Member States apparently continue to adhere to the view that all licenses and radio spectrum to be assigned for third-generation wireless telecommunications services be dedicated to a restrictive UMTS standard. Under the UMTS decision, the European Telecommunications Standards Institute (ETSI) is delegated authority to determine standards for UMTS. ETSI so far has adopted only one technology approach for UMTS, and it is not yet clear whether ETSI will ultimately incorporate the new ITU proposals in its standards for UMTS.

The ostensible purpose of the UMTS decision is to ensure the availability of at least one interoperable service in the European Union and pan-European roaming for the benefit of consumers. We note that the ITU proposals are expected to enable customers to roam with their services across regions, countries, and systems. As this is consistent with the stated purpose of the UMTS decision, it is our expectation that the European Commission and Member States would welcome rapid action by ETSI to standardize these proposals for the purposes of the UMTS decision.

The Honorable Karel van Miert
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Two steps are necessary for the ITU proposals to reach the European marketplace at the same time as the single ETSI standard currently approved:

- Timely completion, by ETSI and other standards development organizations, of the work necessary to achieve these ITU-proposed standards on the ITU's time schedule; and
- Clear indications that each EC Member State regulator will actually license and assign radio spectrum for users of standards adopted by the ITU.

Completion of these two steps would go far to alleviate the United States' concern that the effect of the UMTS decision will be to create regulatory certainty only for the single ETSI standard currently approved. Failure to complete these steps would undermine the ITU's global harmonization approach, deny market access to service suppliers using alternative ITU standards, and deny North American and other manufacturers of alternative systems the opportunity for global economies of scale.

We note that, under the World Trade Organization's General Agreement on Trade in Services, the EC and Member States have undertaken obligations against applying licensing requirements and technical standards that are more burdensome than necessary to assure the quality of the service, as well as obligations to license services on a technology-neutral basis.

The United States will continue to monitor licensing arrangements as they are announced by each Member State. Where Member State regulators initiate licensing processes that will provide market access solely for the single standard currently approved by ETSI, the United States will consider all options to address the trade concerns this would raise.

We invite you to join us in urging ETSI and other standards development organizations to complete the work necessary to enable UMTS licensees to develop systems based on any or all of these ITU-proposed standards.

Sincerely,

Barshefsky

William M. Daley Charlene

Secretary of Commerce United States
Trade Representative