



Office of the Director of
**Telecommunications
Regulation**

MEDIA RELEASE

For Immediate Release
23rd March 2001

Regulator outlines licence framework for Digital Terrestrial Television (DTT) in Ireland.

Etain Doyle, Director of Telecommunications Regulation, today (23rd March 2001) outlined the licence framework for digital terrestrial television (DTT) services in Ireland. The framework is developed following public consultation and full consideration by the ODTR of its obligations under the recent Broadcasting Act 2001.

The Broadcasting Act, 2001 provides for the establishment and operation of DTT on a national basis and requires the Director to issue a Digital Multiplex Licence and a Digital Terrestrial Television (DTT) Licence to the companies designated by the Minister for Arts, Heritage, Gaeltacht and the Islands to receive those licences. The manner and method of designation of these companies is a matter for the Minister.

According to the Regulator, “The introduction of digital technology in terrestrial television broadcasting offers the consumer a number of benefits, including an increase in the number of TV channels that can be transmitted and the possibility of new interactive multimedia applications. Digital technology, at its current stage of development, makes more efficient use of the available spectrum, by enabling up to five programme services to be compressed into the space currently required to transmit one analogue service, all with the possibility of high quality sound and vision”.

The ODTR received 15 responses to the consultation document, *Licensing Digital Terrestrial Television* (ODTR 99/57), which was published in October 1999. Following amendments to the Broadcasting Bill during its passage through the Oireachtas, the Director invited interested parties to submit further comments in January 2001 and received 10 responses, mainly from the same parties who had provided comments to the original consultation.

The Digital Multiplex Licence will include the following provisions:

- ❑ The multiplex operator will be authorised to establish and operate six multiplexes.
- ❑ The licence will be granted for a period of 15 years and will run coterminously with the DTT licence.
- ❑ The multiplex operator will pay a licence fee of 3.5 percent of gross revenues arising from licensed services.
- ❑ While DTT is primarily intended as a platform for the delivery of television services the Director recognises its usefulness as a vehicle for the extension of the information society. Examples of additional services include, e-mail, T-Commerce, Internet Services etc. A data cap of up to 20 percent of each multiplex at any one time, subject to an aggregate maximum of 15 percent over a 24-hour period will apply to additional services.
- ❑ No prior approval of retail prices will be required but the Director can investigate prices and issue binding directions, if necessary. A common national price will apply.
- ❑ The multiplex operator will be required to provide universal service as defined in the 2001 Act. Accordingly, its rollout obligations will be linked to those set down in the DTT Licence.

The DTT Licence will include the following provisions:

- ❑ The licence will be granted for a period of 15 years and will run coterminously with the Digital Multiplex Licence.
- ❑ Prior approval will not be required for transmission charges imposed on the multiplex operator by the transmission operator. In the event that commercial negotiations fail, a dispute resolution procedure may be instigated at the request of either party. The Director will retain a right to investigate the price and issue binding directives to the parties.

- The 2001 Act makes provision for a universal service obligation on the transmission operator. The licence to be issued by the ODTR will set a target coverage level of 99% of population within 10 years of launch. It will incorporate roll out milestones to be achieved in the first 5 years of operation with a view to achieving the required target.

The response to the consultation, ODTR 01/17 *Licensing Digital Terrestrial Television: Response to the Consultation*, can be viewed on the ODTR website <http://www.odtr.ie/>

ENDS

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Note to Editors

Digital Terrestrial Television (DTT) is the replacement for the conventional analogue system that has existed for 30 years. DTT is based on a group of common European standards set by companies and organisations involved in the DVB (Digital broadcasting Group) in Europe.

Digital Multiplex

This allows a number of television channels to be combined with other data into one fixed signal size- this signal is called a digital multiplex.