



Industry
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RP-007
Rev. 2
March 1999

Spectrum Management and Telecommunications Policy

Radio Systems Policy

Policy Framework for the Provision of Mobile Satellite Services via Regional and Global Satellite Systems in the Canadian Market

Related Documents

RP-023 _Spectrum and Licensing Policy to Permit Ancillary Terrestrial Mobile Services as Part of Mobile-Satellite Service Offerings

SP 1-3 GHz Amendments to the Microwave Spectrum Utilization Policies in the 1-3 GHz Frequency Range

DGRB-006-96 Spectrum Licence Fees For Mobile Satellite Services Using Radio Spectrum Below 1 GHz

DGRB-001-97 Radio Authorization Fees for Mobile Satellite Services Using Radio Spectrum Below 1 GHz

DGRB-001-98 Spectrum Licence Fees For Mobile Satellite Services Using Radio Spectrum Above 1 GHz

INDUSTRY CANADA

RADIOCOMMUNICATION ACT

NOTICE NO. DGTP-003-99

REVISIONS TO THE POLICY FRAMEWORK FOR THE PROVISION OF MOBILE SATELLITE SERVICES VIA REGIONAL AND GLOBAL SATELLITE SYSTEMS IN THE CANADIAN MARKET

Introduction

The purpose of this Notice is to announce changes to the policy respecting the provision of mobile satellite services in the Canadian market.

Background

In February 1998, Industry Canada amended the *Policy Framework for the Provision of Mobile Satellite Services via Regional and Global Satellite Systems in the Canadian Market* (Radio Systems Policy 007) through *Canada Gazette* Notice DGTP-001-98. This amendment implemented commitments made by Canada to the World Trade Organization (WTO) Agreement on Basic Telecommunications with respect to mobile satellite services. Subsequently, Bill C-17, *An Act to Amend the Telecommunications Act and the Teleglobe Canada Reorganization and Divestiture Act*, made amendments to the *Telecommunications Act* which exempt satellite earth stations from the Canadian ownership and control provisions of Section 16 of the Act.

In October 1998, a *Proposed Amendment to the Policy Framework for the Provision of Mobile Services* was published in the *Canada Gazette* Notice DGTP-014-98, to solicit public comments on the consequential changes to the mobile satellite service licensing policies. In particular, the proposed policy amendment would remove the Canadian ownership and control requirement from service providers, that are radiocommunication carriers of mobile satellite services as proposed by *Regulations Amending the Radiocommunication Regulations* published in the *Canada Gazette* Part I on October 10, 1998.

In response to the solicitation for public comment, eight timely submissions were received representing a broad range of interests. All respondents except one were supportive of the proposed change, stating that it meets the objectives of further liberalizing the licensing regime for mobile satellite services. The policy change was seen as fostering a greater access to international markets for Canadian operators and service providers through reciprocal liberalizations.

Policy Revision

Having regard to the public submissions received and the amendment being made to the *Radiocommunication Regulations*, Industry Canada amends the first criterion of Section 2 of the present Mobile Satellite Service Policy Framework (RP-007) to read:

“the applicant (service provider) must be eligible to be issued a radio licence or a spectrum licence under the *Radiocommunication Regulations*;”.

This *Canada Gazette* Notice and the amended *Policy Framework for the Provision of Mobile Satellite Services via Regional and Global Satellite Systems in the Canadian Market* (RP-007) is available electronically on the Internet at:

World Wide Web (WWW)
<http://strategis.ic.gc.ca/spectrum>

March 12, 1999

Michael Helm
Director General
Telecommunications Policy Branch

INDUSTRY CANADA

RADIOCOMMUNICATION ACT

NOTICE NO. DGTP-001-98

AMENDMENTS TO THE MOBILE SATELLITE POLICY FRAMEWORK TO IMPLEMENT CANADA'S COMMITMENT TO THE WTO BASIC AGREEMENT IN TELECOMMUNICATIONS

This Notice announces amendments to the *Policy Framework for the Provision of Mobile Satellite Services Via Regional and Global Satellite Systems in the Canadian Market (RP-007)* promulgated on November 5, 1994 by Notice DGTP-001-94. These amendments are intended to bring into effect changes required by Canada's acceptance in the World Trade Organization (WTO) to the multilateral agreement on basic telecommunications services, entitled the *General Agreement on Trade in Services (GATS)* reached in February 1997.

Specifically, the Department rescinds the provision of the *Policy Framework* effective February 5, 1998 that requires the Canadian licensee for the provision of mobile satellite services in Canada to hold an equity share in the entity owning the satellite system at least proportional to the expected Canadian usage. The *Policy Framework* is further amended effective February 5, 1998 with respect to the routing of mobile satellite services which will be liberalized between points within Canada, and between Canada and points in the United States. However, until October 1, 1998, mobile satellite services between Canada and points outside Canada and the United States must be routed through the designated overseas carrier.

This Notice also announces the release of a revision to the *Policy Framework* which contains the amendments stated above, in addition to some further changes to update the policy provisions for the licensing of regional and global mobile satellite systems.

This *Canada Gazette* Notice and the referenced publication are available electronically via the Internet at the following addresses:

World Wide Web (WWW)
<http://strategis.ic.gc.ca/spectrum>

Copies of the subject document are also available from the Communications Branch, Industry Canada, 235 Queen Street, Ottawa, Ontario K1A 0H5, (613) 947-7466, and from the offices of Industry Canada at Moncton, Montreal, Toronto, Winnipeg and Vancouver.

February 13, 1998

Michael Helm
Director General
Telecommunications Policy Branch

1. Introduction

The purpose of this policy framework is to permit the orderly provision of mobile satellite services via regional and global satellite systems in the Canadian market which are, in whole or in part, foreign owned and authorized. The policy framework is applicable to those regional and global satellite systems for which there is no licence or other authorization issued under the *Radiocommunication Act* for the satellite portion of the system¹. This policy framework was initially promulgated on November 5, 1994 and has been revised through the issuance of *Canada Gazette* Notice, DGTP-001-98, promulgated on February 21, 1998.

Since the promulgation of the 1994 Policy Framework considerable progress is evident in the development of global and regional mobile satellite services. Canada has now authorized several Canadian service providers for mobile satellite services in Canada in accordance with the 1994 Policy Framework.

In February 1997, the World Trade Organization (WTO) established a multilateral agreement on basic telecommunications services, entitled the *General Agreement on Trade in Services* (GATS). Canada was one of 69 countries participating in this agreement. With respect to mobile satellites, Canada agreed to the following provisions in terms of ownership and telecommunications routing:

- mobile satellite systems owned and controlled up to a level of 100% by a foreign service provider may be used by a Canadian service provider to provide services in Canada;
- routing of mobile satellite services between points in Canada, and between Canada and points in the United States will be unrestricted;
- as of October 1, 1998, routing of all mobile satellite services will be unrestricted (i.e. overseas routing - between Canada, and points outside the United States and Canada will not be limited to a specific service provider(s)).

This policy framework has been developed, in particular, for the guidance of potential future providers of mobile satellite services having regional or global coverage capabilities, and providing domestic mobile satellite services within Canada or services between Canada and other countries. Entities proposing to utilize Canadian satellite facilities to offer mobile satellite services between or among countries other than Canada are not restricted by Canadian policy, but would be subject to the regulatory regimes of the country or countries to be served. However, many countries have opened access to their markets for foreign owned mobile satellite services through the WTO GATS agreement. The aim of the policy

¹ Applicants for licences for the satellite portion of a mobile satellite system may refer to Client Procedures Circular 2-6-06 (CPC-2-6-06), *Guidelines for the Submission of Applications to Provide Mobile Satellite Services in Canada and to License Subscriber Earth Stations*. These *Guidelines* also provide information for the application of this Policy Framework (RP-007) and are available electronically on the Internet at: World Wide Web (WWW) <http://strategis.ic.gc.ca/spectrum>.

framework is to enable Canadians to benefit fully from these regional or global mobile satellite systems.

The Department, in reviewing and modifying its policies, continues to have regard to the objectives set out in Section 7 of the *Telecommunications Act*. The Minister of Industry may also have regard to these objectives in exercising his or her powers under the *Radiocommunication Act*. Access to high quality telecommunications services must be offered to Canadians if they are available competitively and if their introduction would provide demonstrable benefits to Canadians. Through the use of mobile satellite systems, Canadians could have a greater choice of communications services, and users in remote and rural areas of Canada would, in particular, benefit from access to better and more affordable communications services.

2. Policy Framework

The following policy framework for the commercial provision of mobile satellite services via current and proposed regional and global mobile satellite systems (utilizing satellites in either geostationary or non-geostationary orbits) is herewith adopted.

Under the powers conferred by the *Radiocommunication Act*, the Minister will consider and, at his or her discretion, grant radio licences in respect of applications for the radio apparatus in mobile terminals, fixed gateway earth stations, and the telemetry, tracking and command stations which form part of the regional or global mobile satellite system. Also, under the *Radiocommunication Act*, the Minister may issue a spectrum licence, which is an authority in respect of the utilization of specified radio frequencies within a defined geographic area. As well, the Minister may fix the terms and conditions of any such licence.

Any radio apparatus licences or spectrum licence issued to an applicant proposing to offer such mobile satellite services in Canada would be subject to certain licence eligibility, technical and policy conditions. The following are criteria against which applications will be assessed and licence conditions developed:

- # the applicant (service provider) must be eligible to be issued a radio licence or a spectrum licence under the *Radiocommunication Regulations*;²
- # the mobile satellite system used by the Canadian licensee may be owned and controlled up to a level of 100% by a foreign service provider;

² *Canada Gazette* Notice DGTP-003-99.

- # the routing of mobile satellite services is liberalized between points within Canada, and between Canada and points in the United States. However, until October 1, 1998, mobile satellite services between Canada and points outside Canada and the United States must be routed through the designated overseas carrier³;
- # spectrum policy requirements with respect to allocation, utilization and efficiency, orderly deployment and co-existence with other radio services authorized for use in the bands including any policy put in place to effect the displacement of existing services, must be met; and
- # spectrum management, including frequency coordination with existing and planned Canadian stations, and type approval considerations must be satisfied with respect to all radio apparatus.

In addition to the foregoing, applications for the above radio licences may also be assessed according to a number of factors, including but not restricted to:

- # the extent to which the proposed mobile satellite operation will provide access to reliable, affordable, high quality telecommunications services in all regions of Canada;
- # commitments for the use of Canadian telecommunications facilities, to the extent that the use of such facilities is consistent with the optimal provision of the mobile satellite services, having regard to such factors as service reliability, service quality, and consumer pricing;
- # the prospects for stimulating Canadian research and development and technological innovation; and
- # the ability of potential entrants in the mobile satellite services field to ensure that the public's demands for more efficient and sophisticated telecommunications services are accompanied by appropriate safeguards for the privacy of individual users.

Furthermore, the licensing, under the *Radiocommunication Act*, of individual Canadian registered mobile satellite subscriber terminals⁴ (and the operation of foreign registered terminals) for a regional or global mobile satellite communications system, will be facilitated

³ Teleglobe Canada retains the status as the sole provider of overseas facilities-based telecommunications until October 1, 1998.

⁴ In this context, “registered” means that the mobile unit has been made the subject of an agreement between the user (thereafter the “subscriber”) and a (Canadian, or non-Canadian, as the case may be) service provider.

by, for example, enabling the successful applicant to hold the licences for the terminals, provided that⁵:

- # the Canadian registered mobile terminals are registered for use on the system through a Canadian service provider and meet the appropriate Canadian technical specifications; and
- # the non-Canadian registered mobile terminals are duly authorized in their home country.

3. Implementation

This revision to the policy takes effect on February 5, 1998. It should be noted, however, that spectrum allocation and utilization policies, as well as frequency coordination and other considerations, may need to be resolved in various frequency bands before mobile satellite systems are implemented.

Issued under the Authority
of the *Radiocommunication Act*

Michael Helm
Director General
Telecommunications Policy

⁵ At the time of this publication, Canada is participating in a forum of the International Telecommunications Union developing an arrangement for the roaming of mobile satellite terminals. When completed, this arrangement for Global Mobile Personal Communications by Satellite will be taken into account in the modification of the requirements given in this Section.