

## **CALL FOR LICENSE APPLICATIONS**

### **Network licences for providing network services**

On the basis of section 7 of the Information Society Code (917/2014), the Government announces a call for applications for network licences for providing network services in the digital terrestrial mass communications network in multiplexes B, C and D in the UHF band.

The licence applications and their appendices must be submitted to the Registry of the Ministry of Transport and Communications, Eteläesplanadi 16, Helsinki (PO Box 31, FI-00023 GOVERNMENT, Finland). The application deadline is xx xx 2016, xx.xx.

For more information about the operating licences and the application procedure, see the website of the Ministry of Transport and Communications at [xx](#)

## **FURTHER INFORMATION ABOUT THE APPLICATION PROCEDURE AND THE LICENCES**

On the basis of section 7 of the Information Society Code (917/2014), the Government announces a call for applications for three network licences for providing network services in the terrestrial digital mass communications network

in multiplexes B, C and D in the the UHF band.

The licences cover the whole of Finland, excluding the Region of Åland.

### **Objective of the licences**

The objective of the licences is to promote the provision and use of services in the communications networks in accordance with section 1 of the Information Society Code, to ensure the efficient use of radio frequencies, to promote competition in the provision of terrestrial television networks as well as to ensure that the terrestrial television networks and services are technologically advanced, of good quality, reliable, safe, and inexpensive.

The licences aim to promote the provision of diverse and high quality contents comprehensively and inexpensively throughout Finland.

### **Frequencies**

The provisions on the frequency range of the licences are laid down in section 2 of the Government Decree on radio frequency usage and the frequency plan (1246/2014) and in more detail in the Finnish Communications Regulatory Authority's regulation M70/2016 on the use frequencies intended for television and radio operation. All frequencies allocated for the operation specified in the licence are available for the licence holder only after the international coordination for the implementation of the frequency for this particular use has been completed.

The Finnish Communications Regulatory Authority (FICORA) allocates the necessary frequencies to the licence holder. Specific terms on the use of frequencies can be appended to a radio licence granted by FICORA. FICORA may also set further terms related to the technical details of the licences.

In order to safeguard the efficient use of frequencies, FICORA may, after hearing the licence holder, alter the regulation on the allocation plan for television and radio frequencies (M70/2016) in such a way that the operating licence holder does not have the right to use such frequencies that are allocated to it that are not used for providing long-term broadcasting services by or after 1 January 2020. According to section 96(5) of the Information Society Code, FICORA must work in cooperation with the Ministry of Transport and Communications when preparing the regulation.

If during the licence period frequencies become available in the frequency range specified in the licence and they are in demand in one of the multiplexes in the frequency range, FICORA may, after hearing the operating licence holders, amend the regulation on the allocation plan for television and radio frequencies (M70/2016). According to section 96(2) of the Information Society Code, FICORA must re-examine the decision if it is possible to

assign more frequencies for an activity subject to licence or if a telecommunications company or some other party representing frequency band user groups presents a justifiable request for a re-examination. According to section 96(5) of the Information Society Code, FICORA must work in cooperation with the Ministry of Transport and Communications when preparing the regulation. If a regulation concerning the use of an individual frequency band could have a significant effect on the general development of the communications market, the frequency plan of the frequency band in question will be confirmed by the Government Decree on radio frequency usage and the frequency plan.

### **Licence coverage and period of validity**

The licences for multiplexes B, C and D cover the whole of Finland, excluding the Region of Åland.

The licence coverage areas in line with the frequency coordination targets of the network operating licences to be granted are shown in the maps appended to this notice.

The implementation of the above-mentioned coverage areas requires that the international frequency coordination has been completed.

It is possible to expand the licence coverage area later, provided that international frequency coordination allows it.

The licences will be granted for the period of 15 May 2017 – 10 January 2027.

### **Granting of licences**

The licences are granted by the Government on the basis of section 8 of the Information Society Code and if the requirements specified in section 10 are met.

According to section 10 of the Information Society Code, an operating licence shall be granted if the applicant has sufficient financial resources to meet the network operator obligations, the licensing authority has no justifiable reason to suspect that the applicant would violate the provisions in the Information Society Code and the licensing authority does not have weighty reasons to suspect that granting the licence would apparently risk national security.

According to section 10 of the Act, if a licence cannot be granted to all applicants, it shall be granted to applicants whose operation best promotes the purposes laid down in section 1 of the Act.

According to section 1 of the Act, the objective of the Information Society Code is to foster the supply and use of electronic communications services and to ensure that everyone across Finland has access to communications networks and services at reasonable conditions. A further objective of the Act is to secure efficient and interference-free use of radio frequencies, to foster competition, and to ensure that communications networks and -services are technically advanced, of good quality, reliable, safe and inexpensive. The Act also aims to ensure the confidentiality of electronic communications and the protection of privacy.

The objectives listed in section 1 of the Act are an example of matters that should be paid attention to when considering how the interests of the users are met, and the Government considers the overall situation when making the decision. A licence will be granted to those companies whose operation as a whole best align with the objectives of the Act.

The decision on a licence granted by the Government must be made within six weeks of the closing of the application period. The Government may extend the deadline by eight months at most if this is necessary to ensure that the application process is fair, reasonable, clear and open, to supplement the information in the applications or for some other special reason. Any extension to the application deadline must be announced publicly.

### **Conditions relating to network construction**

In multiplex B, a network complying with the licence must be constructed in a way that it covers at least 85 per cent of the population in mainland Finland by 15 May 2017.

On the basis of section 17 of the Information Society Code, the Government may alter the population coverage requirement that has been set on multiplex B when necessary, if it is estimated that this is necessary for the market situation in terrestrial television operations. The Government will review the population coverage obligation in multiplex B and the related special conditions again by 31 December 2018.

In multiplex B, the network must be implemented using the new DVB-T2 technology that enables high-definition broadcasts. The licence holder must use MPEG-4 compression technology in their broadcasts.

In multiplex C, a network complying with the licence must be constructed in a way that it covers at least 90 per cent of the population in mainland Finland by 15 May 2017. The licence granted for multiplex C is technologically neutral, i.e. the licence holder can choose the distribution and packaging technology used in the antenna television network.

The licence holder for multiplex C is has an obligation to use the technology specified in the licence to construct a network for new shadow regions with of more than 50 residents. The population numbers of unconnected shadow regions are summed up if the shadow regions in question fall within the same circle that is 20 kilometres in diameter, i.e. they could be covered with one ordinary gap filler. The licence holder can use alternative distribution techniques to construct networks in shadow regions that are smaller than this.

In multiplex D, a network complying with the licence must be constructed in a way that it covers at least 80 per cent of the population in mainland Finland by 15 May 2017. The licence granted for multiplex D is technologically neutral, i.e. the licence holder may choose the distribution and packaging technology used in the antenna television network.

On the basis of section 17 of the Information Society Code, the Government may change the distribution technology specified in the licence if necessary, for example, due to reasons resulting from the market situation or technological development. The Government will review the licence regulation on distribution and packaging technology for multiplex D again by 31 December 2018.

If more than one operator has the licences in the UHF band, further regulations on the licence holders' main transmitters and their location may be issued by a decision by FICORA.

The population coverage specified in the licence will be determined according to the number of permanent residences in the area.

FICORA will issue more detailed regulations on the determination of coverage areas complying with the licences (M70). FICORA may also issue other further regulations on the practical implementation of the licence terms.

The licence holder must report to FICORA by 2 January 2017 the coverage area of the broadcasting network as well as the measures necessary for implementing the coverage area required by the licence. The licence holder must also simultaneously report to FICORA the broadcast parameters to be used in the network as well as of the total multiplex capacity achieved through them. If the licence holder changes the broadcast parameters during the licence period, the change in parameters as well as its impact on the total capacity must be reported to FICORA before the change is carried out.

The licence holder must commence the operations specified in the licence on 15 May 2017 unless otherwise mandated by the Ministry of Transport and Communications for special reasons and upon the licence holder's application..

### **Communications to users**

The licence holder has an obligation to ensure that a sufficient advice and instruction services are provided to users in matters related to reception. In addition, the licence holder must inform users about any regional network construction as well as any user antenna requirements.

The licence holder must actively inform users in advance of such changes in the network that will require changes in users' reception systems. The licence holder must inform users in advance about the systems needed to receive broadcasts, and to provide advice.

Before the implementation of the new distribution and packaging techniques, the licence holder must report to FICORA how it will implement its communications to its users.

### **Other licence regulations**

Provisions on the regulations to be included in the operating licence are laid down in section 16 of the Information Society Code. According to subsection 1, operating licences are granted by the Government for a fixed period of up to 20 years. According to subsection 2, the geographical operating area of the telecommunications operator and a network coverage area may be defined in the operating licence.

According to subsection 3, an operating licence may be appended with:

- 1) requirements that promote the objectives of the Information Society Code;
- 2) terms supplementing the quality requirements for the communications network and communications service or technical regulations of FICORA concerning the technical characteristics of communications networks or the efficient use of frequencies;
- 3) terms that concern the amount of capacity reserved for a programme licence holder, or cooperation between programme licence holders in matters related to capacity distribution or electronic programme guides;
- 4) terms on the broadcasting technology or encryption of broadcasts; and

5) terms regarding the obligation of a licence holder to eliminate any interference caused by its operations to other radio communications complying with the regulations as well as to compensate for the costs incurred in the process of eliminating such interference.

According to subsection 4, the operating licence holder must for its part ensure that the Finnish Broadcasting Company and programme licence holders obtain the necessary capacity for their operations.

According to subsection 5, the Government is responsible for ensuring through the above-mentioned licence terms that the Finnish Broadcasting Company and programme licence holders have access to the capacity necessary for their operations in all circumstances.

### **Information that is to be included in the licence application**

According to section 10 of the Information Society Code, all information required by the licensing authority necessary to assess compliance with the licence requirements shall be given in the licence application. The following information must be included in the application:

1. **The applicant's contact details**  
The applicant must give one processing address to which any requests for further information, notifications and other documents can be sent. In addition to the usual contact details, an email address must also be provided.
2. **A Trade Register extract or a corresponding account of the applicant**
3. **An account of the applicant's ownership relations**  
Information about companies and persons that own the applicant and of companies owned by the applicant that is necessary for considering the application must be given in the account of the applicant's ownership relations.
4. **A description of the planned network service**  
The description must be sufficiently detailed.
5. **Description of the planned pricing for television broadcasting services that is to be offered**  
The application must include information on the pricing of the broadcasting service in euros/megabytes/per second and the network broadcast parameters:
  - broadcasting and compression technology
  - modulation
  - fast fourier transform -size, FFT –size
  - forward error correction, FEC
  - guard interval, GI
  - pilot pattern, PP
  - total capacity of the multiplex
6. **Licence coverage**
7. **A description or plan for the communications network**  
The description must cover the period 2017–2021.
8. **An estimate of investments, including a financial plan, required by the operations**  
The estimate must cover the period 2017–2021
9. **An estimate of how the business will develop**  
The estimate must cover the period 2017–2021
10. **A copy of the applicant's most recent approved financial statements**
11. **The auditors' statement of the applicant's current financial situation**
12. **Other information necessary for assessing compliance with the operating requirements**
13. **A summary of the main contents of the application.**

The licence application may be submitted in Finnish, Swedish or English.

### **Confidentiality of the application**

As a rule, the applications and their appendices are public documents. The information that the applicant considers to be a business secret or confidential due to some other reason must be clearly marked and submitted as a separate document. The request for confidentiality must be justified. The final decision on the confidentiality of a document is made by the authorities in accordance with section 24 of the Act on the Openness of Government Activities (621/1999).

### **Submitting the licence application**

The deadline for applications is **XX XXX 2016**, XX.00. Any late applications will not be processed.

Two copies of the licence application and the appendices must be submitted to the Registry of the Ministry of Transport and Communications (Eteläesplanadi 16, Helsinki, or by post to PO Box 31, FI-00023 Government, Finland) as well as by email to kirjaamo@lvm.fi. In addition, please submit a summary of the main contents of the application to the Ministry by email to XX.

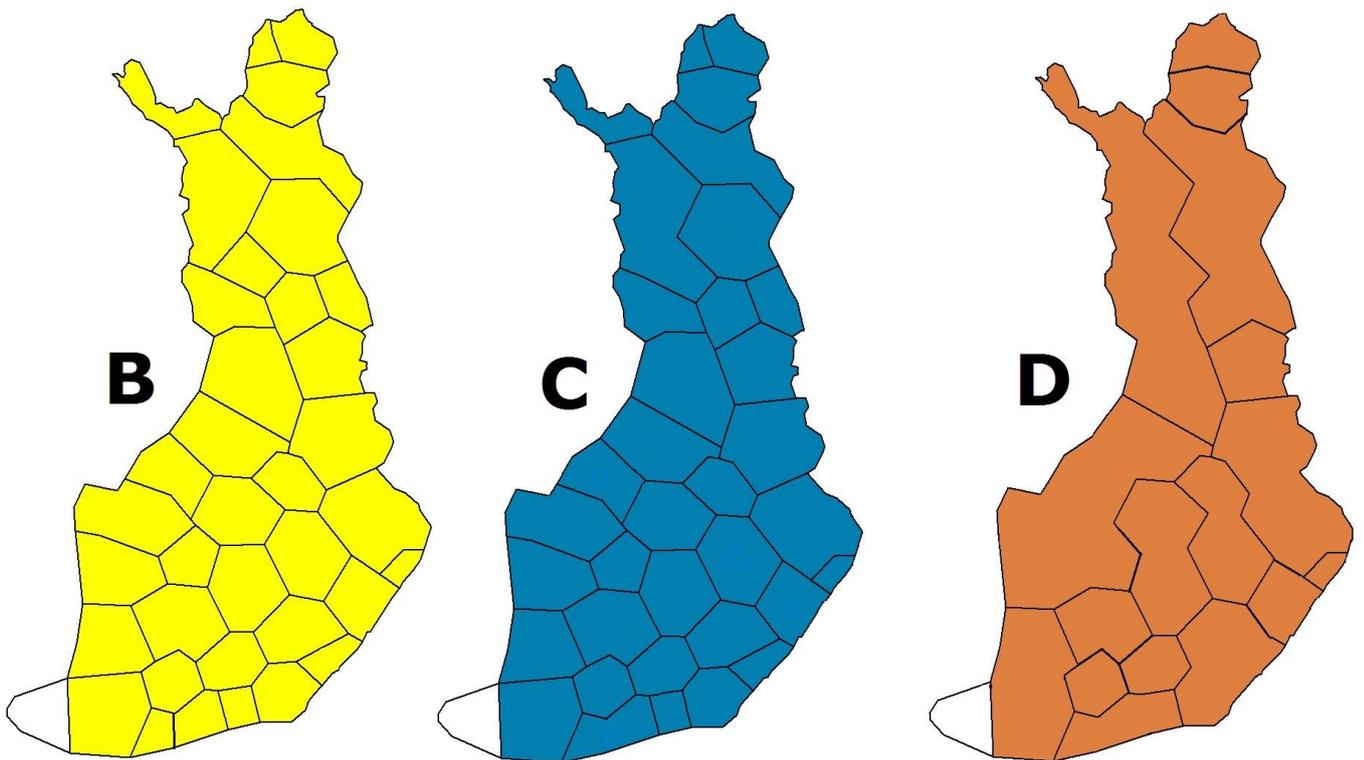
### **Further information**

For further information, please contact XX

### **Application fee**

On the basis of section 285 of the Information Society Code, the licence applicant is obliged to pay to the State an application fee of EUR 5,000 in connection with the application. Once the application has been submitted, the Ministry of Transport and Communications will send an invoice for the application fee to the applicant.

Maps of the multiplex licence coverage areas:



The network licence holder can choose the stations for implementing the population coverage complying with the coverage requirement.

