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COM(2026) 311 final

2026/0134 (COD)

Proposal for a

**REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**on the procedure for authorisation of systems providing mobile satellite services using  
the harmonised 2 GHz frequency band and repealing Decision No 626/2008/EC**

(Text with EEA relevance)

## EXPLANATORY MEMORANDUM

### 1. CONTEXT OF THE PROPOSAL

#### • Reasons for and objectives of the proposal

Decision No 626/2008/EC<sup>1</sup> established a *sui generis* authorisation regime for the 2 GHz MSS band (comprising the 1 980 - 2 010 MHz frequency band for Earth-to-space communications, and the 2 170 - 2 200 MHz frequency band for space-to-Earth communications), whereby the Commission, together with the Member States through the Communications Committee, selected licensees for the provision of mobile satellite services (MSS) at a pan-European scale, while the Member States issued to the selected licensees the rights of use of frequency on their territory under the common conditions set in that Decision. Those rights are set to expire in May 2027, and the Union should take a decision about the future use of the band.

Since 2008, there has been a number of technological and geopolitical developments which have profoundly affected the importance of this band. Large constellations of Low Earth Orbit (LEO)<sup>2</sup> satellites, also as part of multi-orbit constellations, are emerging: their function in the space can be compared to the one of terrestrial mobile communication towers, as they enable hybrid terrestrial-satellite systems and future converged 6G mobile networks. They offer notably satellite Direct-to-Device (D2D) connectivity, i.e. connectivity to unmodified mobile phones, tablets and other end-user devices. This infrastructure is vital for ensuring access to high-speed internet for all, particularly in underserved and remote regions, while also strengthening European capabilities in critical-communications (emergency response and defence), and a key component of resilient communication networks enabling continuous connectivity under challenging conditions.

The 2 GHz MSS band is the optimal spectrum for the deployment of innovative satellite D2D services. It is harmonised for MSS (as well as terrestrial mobile services) globally. Moreover, it is a convenient spot for the integration of terrestrial and non-terrestrial networks (NTN) as it is also adjacent to the bands allocated to terrestrial mobile services and makes it relatively straightforward to be supported by chipsets. Secondly, the 2 GHz MSS band is sufficiently large to be able to support not only voice and SMS, but also broadband services. As a consequence, an undertaking who has access to the 2 GHz MSS band may provide satellite services directly to end-users in the Union and/or use it easily for terrestrial systems.

Finally, satellite connectivity is increasingly vital for the EU's technological sovereignty, playing a crucial role in fulfilling the communication needs of citizens, businesses, and governments. The Union's governmental actors are increasingly reliant on secure, reliable, and ubiquitous satellite-based communication services, especially in scenarios where ground-based systems are unavailable, disrupted, or unreliable. In such cases, satellite communications are critical to maintaining continuous and effective communication capabilities across the continent when terrestrial networks fail.

In view of the above, there is a compelling need for an EU intervention regarding the long-term use of the 2 GHz MSS band. This intervention should reinforce technological

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<sup>1</sup> Decision No 626/2008/EC of the European Parliament and of the Council of 30 June 2008 on the selection and authorisation of systems providing mobile satellite services (MSS) (OJ L 172, pp. 15–24, ELI: [http://data.europa.eu/eli/dec/2008/626\(2\)/oj](http://data.europa.eu/eli/dec/2008/626(2)/oj))

<sup>2</sup> LEO constellations can provide global, uniform, low-latency coverage because they are constantly moving around the Earth, many moving satellites can cover every point on Earth eventually and hand over coverage/service to each other.

sovereignty and competitiveness of the space sector by integrating recent technological developments in satellite connectivity, while simultaneously addressing existing regulatory shortcomings in the 2 GHz MSS band.

The objective of this Regulation is first, to develop common criteria for the selection of MSS systems in line with current EU policy objectives, notably EU's competitiveness and strategic autonomy. Special attention is given to enabling secure EU satellite systems providing secure governmental communications services in the Union. The Regulation should further promote satellite D2D technologies within the new space ecosystem with the view to reinforcing the Union's industrial and scientific capacities, enhancing connectivity services for end-users and consolidating Europe's strategic autonomy, including resilient supply chains.

Secondly, this Regulation will remove regulatory fragmentation in the 2 GHz MSS band to promote the swift deployment of innovative pan-European satellite communication services. It will enhance efficiency, by establishing a licensee selected at Union level to deploy pan-European services, in support of scale, innovation, and fair competition in the space sector as well as reliability and security of EU connectivity. It will be a corollary of the proposed framework on the Union authorisation of satellite systems, envisaged in the Digital Networks Act (DNA), which includes granting rights of spectrum use under common EU conditions and applies to all satellite spectrum bands with EU-wide relevance.

Lastly, upon request from the current holders of rights, the Commission may decide to extend their rights of use of spectrum for a duration required to complete the selection process subject to this Regulation, thus also ensuring a degree of service continuity. This extension may be subject to conditions.

- **Consistency with existing policy provisions in the policy area**

This proposal is consistent with the Digital Decade Policy Programme<sup>3</sup>, and the DNA proposal<sup>4</sup>.

The Digital Decade Policy Programme sets out ambitious connectivity and digital infrastructure targets in the Union for 2030, which are based on technology neutrality as well as network interoperability, ability and convergence. MSS, in particular with satellite D2D capability, provide complementary resilient connectivity to businesses and citizens and foster the Union's competitiveness and sovereignty. In addition, satellite D2D connectivity will contribute to the Digital Decade by delivering connectivity in remote areas of the EU, including high-latitude polar areas.

This proposal is consistent with the DNA proposal, which proposes an EU satellite authorisation for all satellite spectrum under EU harmonised authorisation conditions harmonised at EU level. This proposal anticipates this Union-level authorisation approach by ensuring its earlier implementation in the 2 GHz MSS band. Concretely, this would mean that the authorisation conditions for the 2 GHz MSS band will be developed at EU level together with the Member States and the spectrum rights granted at EU level by the Commission. As with Decision No 626/2008/EC, the Commission will be empowered to conduct the process for selection of undertakings authorised to provide satellite systems in the 2 GHz MSS band.

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<sup>3</sup> Decision (EU) 2022/2481 of the European Parliament and of the Council of 14 December 2022 establishing the Digital Decade Policy Programme 2030 (OJ L 323, 19.12.2022, pp. 4, ELI: <http://data.europa.eu/eli/dec/2022/2481/oj>)

<sup>4</sup> Proposal for a Regulation of the European Parliament and of the Council on digital networks, amending Regulation (EU) 2015/2120, Directive 2002/58/EC and Decision No 676/2002/EC and repealing Regulation (EU) 2018/1971, Directive (EU) 2018/1972 and Decision No 243/2012/EU (Digital Networks Act), 2026, 21. 1. 2026, COM(2026)16 FINAL, 2026/0013 (COD)

Furthermore, the proposal aligns with the objectives outlined in the EU Space Strategy for Security and Defence<sup>5</sup>. In an increasingly competitive geopolitical environment, the EU must strengthen its strategic position and autonomy in space by deploying a secure satellite system, utilising Union and Member States' resources. One key element is the allocation of the 2 GHz MSS band to serve the EU's interests in digital sovereignty, security, reliability, resilience, innovation, and technological leadership. In particular, a part of this valuable spectrum should be used to enhance the Union's secure governmental satellite communications capabilities in the context of IRIS<sup>2</sup> programme<sup>6</sup> objectives and through a secure system to support crisis management and enable critical communications, when terrestrial communication systems are unavailable, disrupted, or unreliable.

- **Consistency with other Union policies**

The Competitiveness Compass<sup>7</sup> highlights the importance of advanced digital infrastructure as fundamental to ensuring the EU's competitiveness. It acknowledges that connectivity, including the one provided by satellite network constellations, is vital for business innovation, digital services, and economic growth across member states. Further, it stresses the need to eliminate regulatory barriers and harmonise rules to create a seamless digital market. By enhancing high-speed connectivity, the EU aims to support economic activities, enable transformative digital technologies like Artificial Intelligence (AI), and ensure Europe's strategic autonomy in digital and space sectors.

The EU's Strategic Vision for the Space Economy<sup>8</sup> recognises that EU instruments for space-related investments are closely linked to the need to eliminate regulatory barriers. The DNA and this Regulation are seen as two of the critical building blocks for an EU single market for space. By eliminating regulatory barriers, this Regulation will enhance pan-European access to MSS spectrum and, thus, underpin the single market of satellite communication services, enabling their scalability and innovation. The investments in satellite infrastructure and the associated value chain are addressed by other EU instruments directly targeting relevant aspects, like the financial support for the multi-orbit constellation IRIS<sup>2</sup>, as well as EU programmes like CASSINI and InvestEU, which include funding mechanisms for space operations.

In addition, this Regulation supports the objectives of the European Economic Security Strategy<sup>9</sup> that aims to strengthen the Union's economic resilience while safeguarding its prosperity and technological leadership in an increasingly uncertain and geopolitically tense environment. Namely, this Regulation aims to deepen the single market of MSS connectivity and support Union's industry in the MSS supply chain thus promoting Union's competitiveness. It addresses space and defence industry that was recognised as one of the

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<sup>5</sup> Joint Communication to the European Parliament and the Council "European Union Space Strategy for Security and Defence", 10. 3. 2023, JOIN(203) 9 final.

<sup>6</sup> Regulation (EU) 2023/588 of the European Parliament and of the Council of 15 March 2023 establishing the Union Secure Connectivity Programme for the period 2023-2027 (OJ L 79, 17.3.2023, pp. 1, ELI: <http://data.europa.eu/eli/reg/2023/588/oj>)

<sup>7</sup> Communication from the Commission to the European Parliament and the European Council, the Council, the European Economic and Social Committee and the Committee of Regions "A Competitiveness Compass for the EU", 29. 1. 2025, COM(2025) 30 final.

<sup>8</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions "A vision for the European Space Economy", 25. 6. 2025, COM(2025) 336 final.

<sup>9</sup> Joint Communication to the European Parliament, the European Council and the Council on "European Economic Security Strategy", 20. 6. 2023, JOIN/2023/20 final

high-risk areas the Joint Communication on strengthening Economic Security<sup>10</sup>, which presents concrete steps to reinforce the EU's strength and resilience in the face of growing external economic threats, while retaining our openness and commitment to international trade and investment.

## **2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY**

- **Legal basis**

The proposal is based on Article 114 of the Treaty on the Functioning of the European Union (TFEU), as it aims to achieve the internal market for satellite communications and ensure its functioning. Under this legal basis, the co-legislators may also take harmonisation measures, with the view to creating an internal market for the provision of secure governmental communications thus contributing to the Union's security and preparedness. Such services, which include services which are provided to government-authorised users, for the purpose of inter alia surveillance, crisis management, law enforcement, connection and protection of key infrastructures, public safety, emergency response, state security and defence may be provided by operators of communications networks using public networks or through dedicated private networks, or a combination of the two.

- **Subsidiarity (for non-exclusive competence)**

Given the intrinsic cross-border nature of satellite networks and services, satellite connectivity represents clearly an area in which action at the Union level would be more effective than action taken solely at the national level. Artificially fragmented conditions for the use of satellite spectrum through national authorisations negatively affect the timely deployment of satellite networks and services as well as impact their coverage and quality of service.

The establishment of EU-wide authorisation for the use of the 2 GHz MSS band will simplify the current complex division of national regulatory responsibilities in a key satellite spectrum band and enable timely availability and take-up of satellite services, with significant advantages for the European industry and Union's competitiveness. There is a strong case for the EU with this initiative, to take an ambitious approach as a major follow-up to the DNA proposal.

Strengthening Union's competitiveness requires timely access to secure, resilient and innovative satellite services. In a context, where the digital connectivity landscape is changing rapidly with the convergence of terrestrial (mobile) and satellite networks, driven by network virtualisation and artificial intelligence (AI), the EU will only be able to achieve this objective through a more harmonised legal environment – in general and in particular with the 2 GHz MSS band – that avoids inconsistent national authorisation practice limiting the opportunities of the single market.

The new legal framework in the 2 GHz MSS band will provide regulatory clarity and certainty, boosting commercial confidence and encouraging the uptake of innovative satellite D2D services in an increasingly competitive global market by i) replacing the existing fragmented system of national authorisation models—many of which differ significantly in terms of procedures, conditions and fees—with a unified framework across the EU; ii) avoiding delays and inconsistent interpretations of compliance and reporting requirements, such as those currently faced by satellite operators in the 2 GHz MSS band; iii) supporting the

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<sup>10</sup> Joint Communication to the European Parliament and the Council Strengthening EU economic security, 3. 12. 2025, JOIN/2025/977 final

seamless provision of pan-European mobile satellite services enabled by a single EU authorisation for access to the single market.

- **Proportionality**

This initiative builds on Decision No 626/2008/EC focusing on tackling bottlenecks in the EU single market and aligning its provisions to policy, market and technology developments.

While, in principle, Decision No 626/2008/EC could still be used for a new selection and authorisation in the 2 GHz MSS band, its scope and content do not match current EU policy priorities, including on sovereignty, and rapid satellite market and technology developments in the satellite sector. It contains, among others, outdated selection criteria and authorisation conditions, which fit more geostationary orbit (GSO) satellite systems but do not match recent technology developments, in particular the usage of LEO satellite constellations for the provision of Direct-to-Device (D2D) connectivity. The possibility to elaborate the selection criteria via a Commission implementing act, foreseen in Article 6(2) of Decision No 626/2008/EC is not considered sufficient to achieve that objectives, as such an act cannot, as a minimum, change the weighting of the selection criteria or substantially modify their scope.

Therefore, a proportionate approach to achieve that objectives is to repeal the Decision No 626/2008/EC and replace it with new proposed Regulation.

- **Choice of the instrument**

The Commission proposes a Regulation as it ensures the removal of single market barriers by harmonising the approach and removing regulatory fragmentation in the 2 GHz MSS band to promote the swift deployment of innovative pan-European satellite communication services. The legal form of the current act is a Decision, that was addressed only to Member States, as the authorisations were granted nationally and Member States retained enforcement powers. A Regulation is more appropriate as this act is conferring powers to the Commission and creates direct rights and obligations for undertakings and we establishes the framework for their authorisation and supervision at the Union level.

### **3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS**

- **Ex-post evaluations/fitness checks of existing legislation**

This initiative builds on the evaluation<sup>11</sup>, conducted for the DNA, that highlights significant gaps in addressing the security and resilience of integrated electronic communications infrastructures, including satellite and submarine systems, within the current geopolitical context. Recent technological, market, and geopolitical shifts have amplified concerns about competition, security, resilience, and technological sovereignty within these domains.

The evaluation also finds the establishment of a single market for satellite services with cross-border potential remains elusive due to several challenges. Currently, there are no standardized authorisation conditions or requirements for mobile satellite spectrum across the EU. This leads to discrepancies in licensing timelines, national coordination approaches, fees, and license conditions. To substantiate these discrepancies, the evaluation uses precisely the example of the 2 GHz MSS band where the national authorisation of two undertakings

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<sup>11</sup> Evaluation – Review of the functioning of European Electronic Communications Code (EECC), BEREC Regulation, Open Internet Regulation, and certain aspects of the ePrivacy Directive, Annex 11 to the Impact Assessment of the DNA proposal, SWD(2026) 13 final, part 3/3.

selected at the Union level, resulted in four types of spectrum authorisations with various authorisation conditions. The evaluation points out that such fragmentation hinders the internal market's ability to ensure a level playing field in space, complicates scaling efforts for EU-wide mobile satellite services, and encourages regulatory forum shopping. These barriers undermine the EU's readiness for the Direct-to-Device opportunity and challenge, increasing strategic dependence on foreign entities for services critical to security and defence.

Regarding authorisation and objectives, the evaluation concludes that the fragmented rules—particularly those under the general authorisation regime and national discrepancies in law enforcement—pose significant obstacles to companies aiming to deploy innovative pan-European services. The evaluation underscores the need to rebalance objectives by prioritizing all aspects of connectivity, including green networks, enhancing competitiveness for advanced infrastructure innovations, and integrating infrastructure security and resilience into the core objectives of a revised framework.

- **Stakeholder consultations**

The Commission gathered stakeholders' input from three different and complementary sources.

Firstly, in the consultation on the White Paper – “How to master Europe’s digital infrastructure needs?”<sup>12</sup>, a number of stakeholders supported the view that satellite connectivity is vital for Europe’s resilience. They noted that satellites can operate even when terrestrial networks are damaged or inaccessible, making them indispensable for emergency responders, humanitarian teams and repair crews during disaster relief and recovery. Moreover, some stakeholders proposed a pan-European assignment structure for satellite spectrum within the 2 GHz MSS band, with wholesale access obligations for Internet of Things (IoT) service providers, to support European leadership in the global IoT market.

Secondly in the Call for Evidence of the Digital Networks Act<sup>13</sup>, an EU-harmonised approach to satellite market access was considered essential to unlock the full potential of satellite connectivity across the EU by a number of satellite operators, who noted that the growing demand for satellite access, combined with fragmented and non-harmonised authorisation procedures, may lead to discriminatory outcomes, encourage ‘forum shopping’, and raise barriers to cross-border satellite service development. Satellite operators called in particular for regulatory simplification (e.g. of existing reporting obligations) and the elimination of unnecessary regulatory burdens, for instance through greater consistency regarding requirements for satellite authorisation, the compliance with and enforcement of national frameworks, and reducing overlaps in EU regulations.

An EU-level mechanism for the selection of satellite operators (e.g. based on the Decision No 626/2008/EC), and/or a common satellite authorisation at EU level was supported by some operators. Stakeholders highlighted the need to ensure long-term spectrum predictability through flexible and transparent assignment conditions including improved licence-renewal conditions. Furthermore, stakeholders stressed the need for a level playing field for both new entrants and incumbents, including between satellite constellations accessing the EU market and terrestrial mobile networks. They further stressed the need to address the potential interference risks that Direct-to-Device satellite services may pose to existing terrestrial systems and to ensure consistency with 3GPP standards.

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<sup>12</sup> COM (2024)81 final - <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52024DC0081>

<sup>13</sup> <https://digital-strategy.ec.europa.eu/en/news/commission-gathers-feedback-upcoming-digital-networks-act>

Finally, the targeted Consultation<sup>14</sup> on the Future use of the Mobile Satellite Services (MSS) in the 2 GHz band, highlighted the following major aspects: i) several respondents underlined the need for a dedicated spectrum for EU sovereign needs and strategic autonomy; ii) most respondents emphasised the importance of the EU 2 GHz MSS band as an optimal spot of spectrum for the provision of various satellite D2D and IoT services with good coverage and performance<sup>15</sup>, and iii) most respondents also supported the need for an update of the selection criteria laid down in Decision No 626/2008/EC to reflect ongoing technology and market developments as well as security elements in the digital supply chain.

- **Collection and use of expertise**

The Commission gathered expertise from the Radio Spectrum Policy Group (RSPG), a high-level advisory group that assists the Commission in the development of radio spectrum policy and which delivered two opinions on the matter at stake.

First, in 2024, the RSPG Opinion on assessment of different possible scenarios for the use of the frequency bands 1 980-2 010 MHz and 2 170-2 200 MHz by the Mobile Satellite Services beyond 2027<sup>16</sup> sets out, amongst others, the following recommendations:

- to avoid fragmentation in the internal market, the Commission and Member States should reach, by the end of Q2/2025, a sufficient understanding on a future band usage and segmentation scenario, as well as next procedural steps;
- a balance between business continuity and innovation has to be taken into consideration;
- a continuity scenario (same band segmentation between two operators) may limit competition and innovation;
- technology neutrality should be maintained;
- due regard be given to the investments and market developments of existing operators as well as to the need for new entrants to support innovation and to offer an increasing number of services and emphasize the linkage with the EU-level policy priorities.

Second, in 2025, the RSPG Opinion on the EU-Level policy approach to satellite D2D connectivity and related Single Market issues<sup>17</sup>, called for stronger EU-level coordination of satellite authorisation, including common authorisation requirements and collective enforcement mechanisms. Such measures would be essential to prevent regulatory fragmentation, ensure a level playing field, and strengthen Europe's competitiveness in the rapidly evolving satellite and D2D market. Enhanced coordination would enable Member States to respond collectively to cases of non-compliance, safeguarding Europe's strategic interests, security, and technological sovereignty. Reinforcing EU action in this area would provide the regulatory certainty needed to stimulate innovation, competition, and investment in emerging space-based and next-generation connectivity markets. The RSPG further notes that a minimum bandwidth of 2×10 MHz is required for new wideband technologies such as

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<sup>14</sup> [Summary report of the Targeted Consultation on Mobile Satellite Services | Shaping Europe's digital future](#)

<sup>15</sup> The paramount importance of D2D satellite services has also been highlighted in the RSPG Opinion and the Commission study.

<sup>16</sup> RSPG Opinion on assessment of different possible scenarios for the use of the frequency bands 1980-2010 MHz and 2170-2200 MHz by the Mobile Satellite Services beyond 2027 (RSPG24-007Final)

<sup>17</sup> RSPG Opinion on the EU-Level policy approach to satellite Direct-to-Device connectivity and related Single Market issues (RSPG25-020Final)

NTN-D2D, while narrowband IoT (NB-IoT) services could operate within a shared 2×5 MHz block used by multiple providers.

The Commission also commissioned two studies. A major finding of the study by Idate<sup>18</sup> was that national authorisation models, enforcement frameworks and fee structure vary widely across the EU. In particular, two principal authorisation regimes for the 2 GHz MSS band were identified, i.e. general authorisation, applied in 14 Member States (e.g. Austria, Belgium, Denmark, Poland, Sweden); and individual rights of use, also applied in 14 Member States (e.g. France, Germany, Italy, Spain).

In several Member States (including Bulgaria, Cyprus, Germany, Greece, and Portugal), individual rights of use of the 2 GHz MSS band have been extended to both satellite and terrestrial components, enabling integrated MSS–CGC systems. MSS-specific enforcement rules were rare, only Cyprus, Spain, Portugal, and Ireland adopted targeted provisions, and several Member States undertook enforcement actions in response to non-compliance with common MSS conditions. Regarding the fee structures, CGC fee models differ substantially in type, calculation method, and magnitude. Common bases for calculating fees include the number of CGC sites installed, the amount of assigned bandwidth (MHz), and the geographic area or population covered.

The Study on Mobile satellite services (MSS) in the 2 GHz band in the EU<sup>19</sup> explored market trends and developments since 2009 and showed that besides Geostationary Orbit (GSO) networks (used by the two incumbents), also non-GSO systems, especially based on LEO satellites, have a high deployment potential in the EU 2 GHz MSS band. Furthermore, in addition to the services provided by the two incumbents, namely in-flight connectivity and certain narrow-band IoT, a wider range of Internet-of-Things (IoT) applications, and D2D services are prominent candidates for using the spectrum. That study further concluded that *“...current MSS Regulatory Framework should be updated to bring it into line with modern thinking on satellite networks and markets, address the noted deficiencies in the framework, and provide more practical guidance to ensure more uniform licencing of MSS operators so as to better reflect a single EU market.”*

- **Impact assessment**

This legislative proposal relies on the same Impact Assessment that underpinned the proposal for the Digital Networks Act.

The Impact Assessment for the DNA has considered and assessed impacts of three different policy options for satellite authorisation.:

- under Option 1, the Commission is empowered to conduct selection procedure for licencing satellite spectrum for pan-EU services; however, spectrum would be assigned at national level under nationally defined conditions albeit on a common template for authorisation conditions.

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<sup>18</sup> European Commission: Directorate-General for Communications Networks, Content and Technology and Idate Digiworld, Mobile Satellite Services (MSS) authorisation regimes, authorisations and enforcement in the EU Member States – Final report, Publications Office, 2019, <https://data.europa.eu/doi/10.2759/974409>

<sup>19</sup> European Commission: Directorate-General for Communications Networks, Content and Technology and DETECON, Study on mobile satellite services (MSS) in the 2 GHz band in the EU – Implementation of the current regulatory framework and an overview of the satellite connectivity market – Final report, Publications Office of the European Union, 2025, <https://data.europa.eu/doi/10.2759/5764760>

- under Option 2, the Commission is given the power to issue authorisations to provide satellite networks or services and authorisations to use relevant spectrum including individual rights of use of spectrum, in the relevant Member States or the entire EU. There is hence full harmonisation of authorisation conditions and of the selection at EU level. Further there is a binding EU-level compliance and enforcement framework for access to the EU market, with possibility of authorisation withdrawal for the entire Single Market.
- under Option 3, the Commission is entitled to conduct a selection procedure for licensees of satellite spectrum for the provision of pan-European services, and it is supported by the RSPG and BEREC Office to set common requirements for access to EU satellite market and create a coordinated compliance and common enforcement mechanism. However, it is the Country of origin which issues the rights of spectrum use following the common requirements and imposes sanctions in case of non-compliance.

Option 2 was chosen as a preferred option as outscored other two options on majority of criteria.

This Regulation **will apply the same approach as described and assessed under Option 2 to the 2 GHz MSS band**. The EU authorisation approach will provide regulatory clarity and certainty, boost commercial confidence and encourage the uptake of innovative D2D services in the 2 GHz MSS band. It will i) replace the existing fragmented system of 27 national authorisation models with a unified framework across the EU; ii) prevent delays, inconsistent interpretations of compliance and reporting requirements, which jeopardise the viability of pan-European D2D satellite services.

The impact under competitiveness will materialize in terms of cost savings for different stakeholders, thanks to the simplification of the regulatory environment, in particular for services which rely on scarce spectrum such as D2D, and the long-term benefits of creating a streamlined and harmonised system for the authorisation of the 2 GHz MSS band. Removing the barrier of navigating 27 authorisation regimes benefits all constellations, particularly LEO ones for D2D services. Providers, in particular new entrants, save primarily on administrative costs and avoided delays associated with regulatory fragmentation and different conditions.

Applying option 2 to the 2 GHz MSS band would bring the **economic benefits** and simplification potential as described in the Impact Assessment of the DNA, namely:

- (a) satellite communication service providers would avoid a reduction of revenues due to delays caused by Member State-by-Member State authorisation and spectrum assignment, and occasionally due to legal uncertainty. Indeed, the largest cost burden on satellite communication service providers stems from delays to commercial launch, which can amount to tens of millions of euros in foregone revenues for a provider with a large client base;
- (b) the introduction of a single EU-level authorisation for satellite services could lead to considerable reduction in administrative costs, staff needs, and delays for satellite communication service providers as can be found in the DNA Impact Assessment;
- (c) more efficient addressing of harmful interferences which cause serious operational challenges due to the difficulty to enforce compliance with ITU Radio Regulations; option 2 ensures all players play by the rules, thanks to the coordinated enforcement of satellite rules. This is particularly relevant in markets characterised by big LEO constellations, where interference issues are likely to increase in the next years;

- (d) users of satellite communication services would fully benefit from the consumer surplus thanks to timely availability of services and reduced legal uncertainty, without coverage gaps in some Member States. There will always be a loss of surplus when a satellite communication service provider lacks authorisation to deliver its service, but the net loss of consumer surplus might be higher or lower than the loss of revenue to the satellite communication service provider, depending on availability or not of substitute services.

- **Regulatory fitness and simplification**

The EU authorisation for the use of 2 GHz MSS band and related authorisation for the provision of MSS networks and services presents a significant simplification and improved efficiency potential. It would reduce the cost of 2 GHz MSS band authorisation for mobile satellite operators and national competent authorities. An operator selected at Union level would no longer be requested to obtain spectrum rights in all Member States, would not need to follow 27 authorisation processes and respect 27 sets of authorisation conditions, which might include diverse and costly reporting obligations. The common enforcement framework on the Union level would improve the effectiveness of enforcement measures.

- **Fundamental rights**

NA

#### **4. BUDGETARY IMPLICATIONS**

This proposal will necessitate, already ahead of the DNA approval, the allocation of additional human resources for the Commission, as well as the engagement of external specialists, to facilitate the process for selecting and authorising holders of the rights to use the 2 GHz MSS band, covering spectrum authorisation activities at EU level, including the cost of defining harmonised authorisation/assignment conditions, ensuring consistency of these conditions and defining cost methodology for the fees and contributions.

#### **5. OTHER ELEMENTS**

- **Implementation plans and monitoring, evaluation and reporting arrangements**

The implementation of this proposal will require to launch a selection process for the use of 2 GHz MSS band for provision of mobile satellite systems in the EU. The Commission will establish the rules and specifications, including the weighting of the criteria, of the selection process after the opinion of the the Radio Spectrum Policy Group.

Common authorisation conditions will be set by the Commission with the assistance of the Communications Committee (COCOM). As envisaged in the legal measure, the Commission is empowered to monitor the implementation of the authorisation conditions. It shall inform the Member States of the results of this monitoring on an annual basis, particularly in cases of any alleged specific breaches of conditions. Additionally, it will communicate any enforcement measures deemed appropriate.

- **Explanatory documents (for directives)**

Not applicable.

- **Detailed explanation of the specific provisions of the proposal**

Part I (Articles 1-3) outlines the objectives, scope, and definitions. The objective of this Regulation is threefold: i) to establish a competitive procedure to select holders of the right to

use the 2 GHz MSS band at the Union level, and to authorise them to use this spectrum across all Member States for the provision of MSS networks and services under common conditions across the Union, ii) to promote the EU's strategic autonomy in delivering secure and ubiquitous communications services for governmental users, and iii) supports the Union's resilience, technological sovereignty and economic security. This involves assigning dedicated portions of the 2 GHz MSS band for the provision of a secure MSS/hybrid system and for a Union new entrant for the provision of commercial MSS services. In Article 2, the terms used in the proposal are defined. Article 3 empowers the Commission to negotiate in the name of the Union agreements on the 2 GHz MSS band with countries in the Union's immediate neighbourhood, including Arctic.

Part II (Articles 4-12) establishes general provisions (Articles 4-5) and three distinct comparative selection procedures which are similarly structured in an admissibility phase and two subsequent selection phases. One for the secure MSS/hybrid system (Articles 6-8), another for commercial MSS systems of Union new entrants (Article 9) and a third one for commercial MSS systems (Article 10). While the admissibility requirements for commercial MSS systems of Union new entrants and commercial MSS systems differ, both procedures are subject to the same eligibility requirements and selection criteria (Articles 11-12).

The procedure ends after the first selection phase, if the combined demand from eligible applicants for radio spectrum for the provision of the secure, commercial MSS Union-based new entrants or commercial MSS systems do not exceed the amount of radio spectrum available per each procedure. Where the second selection phase is applied, the eligible applicants in the outcome of the first phase are ranked based on elaborate selection criteria, and the highest ranked applicants are selected depending on the available spectrum. The Commission, together with the Member States will establish the weighting of the selection criteria as well as any rules governing the selection process in the call for applications.

Part III (Articles 13-19) establishes general provisions for the Union-level authorisation for satellite systems in the 2 GHz MSS band. Article 14 sets out specific conditions for the provision of the secure/hybrid MSS system, whereas Article 15 addresses conditions for the provision of the commercial MSS system. Articles 16 and 17 address the duration and renewal of the rights, as well as the conditions for their transfer or lease, respectively.

Article 18 sets out rules on establishment of one-off financial contributions and annual fees, and their usage. The Commission is empowered to adopt delegated acts to establish a methodology for setting a minimum amount of one-off financial contributions and annual fees to be paid by the secure/hybrid MSS system and the commercial MSS systems, to set details related to collection and allocation off financial contributions and annual fees.

Finally, Article 19 sets out the rules on monitoring and enforcement. The Commission is empowered to enforce and monitor Union authorisations, thus in case common conditions have been breached, the Commission shall adopt appropriate and proportionate corrective measures and may also impose fines and penalties.

Title IV (Articles 20-24) addresses the transitory, general and final provisions. In particular, Article 20 grants a 2-year license extension to incumbents under the condition of non-transferability.

Proposal for a

**REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**on the procedure for authorisation of systems providing mobile satellite services using the harmonised 2 GHz frequency band and repealing Decision No 626/2008/EC**

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 114 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee<sup>20</sup>,

Having regard to the opinion of the Committee of the Regions<sup>21</sup>,

Acting in accordance with the ordinary legislative procedure,

Whereas:

- (1) Mobile satellite services (MSS) have developed as an innovative complementary platform for the provision of various types of pan-European communications services regardless of the location of end users, such as voice, messaging, high-speed Internet and multimedia, and public protection and disaster relief. MSS systems could extend mobile services' coverage beyond the reach of terrestrial mobile networks, in particular in rural areas, thus bridging the digital divide that still remains between urban and rural areas in terms of coverage and quality of service<sup>22</sup>. As a supplementary infrastructure, MSS systems could provide connectivity in the event of terrestrial network shutdown caused either by natural disaster or human intervention, thus improving the Union's resilience. They could contribute to the Union's security and autonomy, and to competitiveness of the Union's economy.
- (2) Commission Decision 2007/98/EC<sup>23</sup> has ensured the availability of the 1 980 – 2 010 MHz frequency band paired with the 2 170 – 2 200 MHz frequency band (hereinafter '2 GHz MSS band') in the Union for the deployment of MSS systems. Any other use of the 2 GHz MSS band, such as by terrestrial systems, is allowed on a non-protection and non-interference basis, ensuring the priority and protection of MSS.

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<sup>20</sup> OJ C , , p. .

<sup>21</sup> OJ C , , p. [...]

<sup>22</sup> 5G Observatory: EU [scoreboard](#) 2025. See also: [5G indicators: coverage | Shaping Europe's digital future](#)

<sup>23</sup> Commission Decision 2007/98/EC of 14 February 2007 on the harmonised use of radio spectrum in the 2 GHz frequency bands for the implementation of systems providing mobile satellite services (OJ L 43, 15.02.2007, p. 32, ELI: [http://data.europa.eu/eli/dec/2007/98\(1\)/oj](http://data.europa.eu/eli/dec/2007/98(1)/oj))

- (3) Decision No 626/2008/EC of the European Parliament and of the Council<sup>24</sup> established a common framework for the selection at Union level of MSS providers and their national authorisation under harmonised technical and operational conditions. The purpose of the Decision No 626/2008/EC was to contribute to the development of the internal market by avoiding fragmentation caused by national selection procedures which could undermine the availability of pan-European services and end-to-end connectivity, as well as to encourage efficient investment. Based on the procedure set out in Decision No 626/2008/EC, two undertakings were selected in 2009 by virtue of Commission Decision 2009/449/EC and authorised to use each a paired block of 15 MHz of spectrum (15 MHz Earth-to-space and 15 MHz space-to-Earth direction) in all Member States until May 2027. Legal successors of both MSS providers selected in 2009 provide mobile satellite services to business customers and consumers, based on geostationary satellites, and at different levels of spectrum utilisation and development of customer base.
- (4) The provision of MSS has considerably evolved since Decision No 626/2008/EC entered into force. In particular, the latest developments in satellite technology and use cases, resulted in the emergence of multi-orbit constellations combining the use of satellites in geostationary Earth orbit (GEO), medium Earth orbit (MEO) and low Earth orbit (LEO). These developments form the basis for the development of innovative services such as Direct-to-Device (D2D) connectivity, which are expected to progressively transform the satellite market, by providing satellite connectivity to standard unmodified mobile phones, tablets and other end-user devices compatible with 5G and beyond. This will enhance access to high-speed internet for all, particularly in underserved and remote regions, and will strengthen European capabilities in critical communications.
- (5) Satellite connectivity with high capacity and global coverage has become essential for strengthening Union's capabilities in governmental and critical communications (emergency response and defence), and a key component for ensuring communication networks' resilience and for enabling seamless connectivity under challenging conditions. Satellite connectivity can play a crucial role in the achievement of the EU security, sovereignty and digital autonomy objectives.
- (6) The globally harmonised 2 GHz MSS band is of particular relevance for the rapid development of satellite D2D and broadband connectivity, as it provides favourable propagation characteristics. Furthermore, it can accommodate the convergence between terrestrial networks ('TNs') and non-terrestrial networks ('NTNs') into a hybrid system, to ensure interoperability and seamless service provision between terrestrial infrastructure – such as fibre and 5G or 6G networks – and space infrastructure, thereby supporting innovation and the efficient use of spectrum. To foster technological leadership, resilience and strategic autonomy, it should be possible that the authorisation of the 2 GHz MSS band fosters new generations of connectivity technologies and architectures that enable the integration of TNs and NTNs into a hybrid system, including also complementary ground and airborne components of the NTN.
- (7) A number of supporting policy actions have been adopted by the Union with a view to accelerating the uptake of the Internet of Things ('IoT'), such as soil monitoring,

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<sup>24</sup> Decision No 626/2008/EC of the European Parliament and of the Council of 30 June 2008 on the selection and authorisation of systems providing mobile satellite services (MSS) (OJ L 172, 2.7.2008, pp. 15, ELI: [http://data.europa.eu/eli/dec/2008/626\(2\)/oj](http://data.europa.eu/eli/dec/2008/626(2)/oj))

container tracking, pipeline monitoring, aiming at maximising its potential for the benefit of citizens and businesses. Low-data-rate MSS, which complement or converge with terrestrial systems, play a crucial role in the deployment of IoT solutions across diverse sectors, including water infrastructure and water quality management, agriculture, energy, environmental research and transport. They can make use of narrow spectrum blocks up to 1 MHz, also on the basis of shared spectrum use between different operators. It should hence be possible for operators of IoT to bid for a smaller part of spectrum than a paired 5 MHz block.

- (8) The financial viability of Low Earth Orbit satellite constellations depends on the access to multiple markets on a global scale. Moreover, consistency in spectrum authorisation between neighbouring countries or regions can improve spectral efficiency and enhance frequency coordination.
- (9) The EU Space Strategy for Security and Defence<sup>25</sup> recognises that space systems and services are vital to the society, economy, security and defence in the Union, making space a strategic domain also for secure governmental use. While services to governmental users may be provided by any provider of satellite communications services, security considerations justify that a portion of the valuable 2 GHz MSS band should be harnessed to boost the Union's secure governmental satellite communications capacities through the deployment of a secure and resilient MSS system or hybrid system ('a secure MSS/hybrid system'). The system should provide, among others, public interest services with a view to ensuring *inter alia* crisis management, public safety and the protection of critical infrastructure, especially when terrestrial communications systems are unavailable, disrupted, or unreliable, for example due to climate related disasters. Moreover, in order to ensure high level of security, the admissibility criteria for the secure MSS/hybrid system should ensure that only EU owned or controlled providers may be assigned the portion of the band which is dedicated to the provision of secure governmental services.
- (10) Therefore, in order to meet the objectives of this Regulation of promoting the competitiveness of the European economy through the provision of high-quality mobile satellite services, fostering the development of the internal market as well as of strengthening the Union strategic autonomy in the provision of secure connectivity to governmental users, three distinct selection procedures should be established, one for a secure MSS/hybrid system, one for a Union new entrant in the commercial market and one, which is open also to applicants from third countries.
- (11) Given the limited overall bandwidth of the 2 GHz MSS band, the amount of spectrum dedicated to the secure MSS/hybrid system should not disproportionately limit spectrum availability for commercial satellite systems. A paired block of 10 MHz is necessary for such a system to be able to provide not only voice but also broadband internet services to governmental users with sufficient quality<sup>26</sup>.
- (12) The secure MSS/hybrid system should provide ubiquitous and versatile broadband and narrowband services for secure governmental and critical communications across the Union, supporting voice, data, IoT as well as D2D connectivity. Furthermore, the secure and resilient MSS/hybrid system could be essential to implement the European

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<sup>25</sup> Joint Communication to the European Parliament and the Council JOIN (2023)9 final

<sup>26</sup> Study on Mobile satellite services (MSS) in the 2 GHz band in the EU: Implementation of the current regulatory framework and an overview of the satellite connectivity market, page 16. <https://op.europa.eu/en/publication-detail/-/publication/5c28e25b-41b3-11f0-b9f2-01aa75ed71a1>

Preparedness Union Strategy<sup>27</sup>, that stresses *inter alia* the need to embed preparedness by design into EU policies and actions for ensuring the resilience of vital societal functions, including upgrading secure communications between the EU institutions and Member States, and promoting dual-use by design in infrastructure investment for secure connectivity across the Union. While the secure MSS/hybrid system should primarily provide secure governmental communications services, in order to ensure efficient use of spectrum and maximum benefits for the European economy and citizens, that system should be enabled to use any available spectrum capacity, not used for the provision secure governmental communications, alternatively for the provision of commercial services, under the condition that the priority of providing secure governmental communications is guaranteed.

- (13) The Union's Infrastructure for Resilience, Interconnectivity and Security by satellite ('IRIS<sup>2</sup>'), established by Regulation (EU) 2023/588 of the European Parliament and of the Council<sup>28</sup>, is designed to provide secure, resilient and high-performance communications services for the Union and its Member States, while also enabling commercial broadband services. That critical infrastructure strengthens the Union's digital sovereignty, reduces dependency on non-Union providers, enhances resilience against cyber and hybrid threats, and supports the Union's strategic autonomy and competitiveness in the rapidly evolving global satellite communications market. IRIS<sup>2</sup> is based on a public-private partnership model, and deploys a multi-orbit constellation combining geostationary, medium, low and polar Earth orbit satellites with advanced cybersecurity and encryption standards. Therefore, in order to ensure a high level of network resilience as well as service complementarity and variety, the preferred approach for ensuring the provision of Union's secure governmental satellite communications using the 2 GHz MSS band should be based on multi-orbit satellite architecture.
- (14) As announced in the White Paper 'How to master Europe's digital infrastructure needs?'<sup>29</sup>, the Commission is working with Member States to establish the EU Critical Communication System (EUCCS) to connect communication networks of all public law enforcement, civil protection and safety responders in Europe by 2030 to allow for seamless critical communication and operational mobility across the Schengen area. Satellite connectivity, including notably via IRIS<sup>2</sup>, will provide an essential back-up and additional coverage for the EUCCS. In the context of this most important critical communication initiative in the civil security domain, it is essential that sufficient MSS spectrum for broadband and Direct-to-Device connectivity will be available for the EUCCS. Therefore, the holder of the authorisation for the secure MSS/hybrid system should support the operation of the EUCCS.
- (15) In view of the growing importance of secure, effective and resilient communications, for security and defence as well as for the functioning of critical services, it is essential that the assignment of rights of use for a secure MSS/hybrid system in the 2 GHz MSS band ensures a high level of security as well as operational reliability and integrity. Where, following a selection procedure, the Commission concludes that none of the

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<sup>27</sup> Joint Communication to the European Parliament, the European Council, the Council, the European Economic and Social Committee and The Committee of the Regions on the European Preparedness Union Strategy, 26 March 2025, JOIN(2025) 130 final.

<sup>28</sup> Regulation (EU) 2023/588 of the European Parliament and of the Council of 15 March 2023 establishing the Union Secure Connectivity Programme for the period 2023-2027 (OJ L 79, 17.3.2023, pp. 1, ELI: <http://data.europa.eu/eli/reg/2023/588/oj>)

<sup>29</sup> White Paper 'How to master Europe's digital infrastructure needs?', 21. 2. 2024, COM(2024) 81 final.

applicants is able to demonstrate such a high-level of capabilities for an effective and resilient secure MSS/hybrid system in accordance with the conditions laid down in this Regulation, it should be possible not to assign this portion of the 2 GHz MSS band. In such circumstances, the Commission should be able to relaunch the selection procedure, in order to ensure that the paired block of 10 MHz in the 2 GHz MSS band is ultimately assigned to an undertaking capable of meeting the requirements, or to explore alternative solutions.

- (16) The European Economic Security Strategy<sup>30</sup> aims to strengthen the Union's economic resilience while safeguarding its prosperity and technological capabilities in an increasingly uncertain and geopolitically challenging environment. Among others, it seeks to protect the Union's public order and enhance its strategic autonomy and security through diversification and increasingly resilient supply chains for critical infrastructure. These objectives could be impaired if commercial MSS across the Union were to be provided exclusively by a single third country operator. Currently, there is no Union satellite operator holding rights to use spectrum in the 2 GHz MSS band. In order to ensure resilience and pursue the Union's strategic diversification, the Commission should pursue diversification of suppliers, including by incentivising the entry of Union owned or controlled satellite operators. For this reason, the Union new entrants should be prioritised to obtain two of the four paired blocks of 5 MHz available for the provision of commercial MSS.
- (17) In order to safeguard competition, there is a need to prevent that the spectrum available for commercial MSS is held by one undertaking or that there is significant asymmetry between the spectrum holding of commercial MSS operators. This should be ensured by a spectrum cap of paired block of 10 MHz, which should apply to applicants for the provision of commercial MSS services. The applicant selected to provide the secure MSS/hybrid system should be able to obtain, in addition to the two paired blocks of 5 MHz for the priority provision of secure governmental communications, also maximum two paired blocks of 5 MHz for the provision of commercial MSS.
- (18) In commercial MSS systems in the 2 GHz MSS band, it should not be allowed to rely predominantly on complementary ground and/or airborne components for providing MSS, compared to the space-based component of the MSS system. In order to avoid distortion of competition in the terrestrial mobile market and foster the swift and competitive deployment of advanced, high-quality commercial satellite systems, the use of the band for hybrid commercial systems should not be allowed. These components should be deployed just exceptionally, in places where the availability of MSS with the required quality could not be ensured by space stations only. The predominant reliance on especially complementary ground components might change the nature of the system from mobile satellite to terrestrial network, contradicting the purpose of this Regulation and could adversely affect competition on mobile terrestrial networks.
- (19) A hybrid system in the 2 GHz MSS band, which integrates a terrestrial network (TN) and a non-terrestrial network (NTN), including any complementary ground or airborne components, should ensure, where appropriate, radio interference management and coexistence with other relevant wireless systems within the band and in adjacent

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<sup>30</sup> Joint Communication to the European Parliament, the European Council and the Council on "European Economic Security Strategy", JOIN/2023/20 final

bands. To that end, the Commission may include technical and operational conditions for the secure MSS/hybrid system in the call for applications, subject to prior technical studies.

- (20) Data transmitted over a satellite constellation may land at different locations. With a view to prevent data traffic from being exposed to a foreign legal regime on data protection, applicants for any MSS system in the 2 GHz MSS band in the Union should not be subject to obligations which allow jurisdictions outside the Union to access the data transmitted over the Union's MSS system. Moreover, all traffic should be routed through the Union territory, to ensure that public authorities may exercise their competence as regards lawful interception. Furthermore, the authorisation of the 2 GHz MSS band provides an opportunity to promote a Union-level ecosystem, including supply chain for manufacturing, deployment and operation of the system along with a high level of integration of technologies developed in the Union, with a view to reduce strategic dependencies and prevent security risks as well as systemic vulnerabilities.
- (21) To promote market entry opportunities for new operators and effective competition, foster innovation and ensure the proper functioning of the internal market, applicants to MSS commercial systems should support business models that provide for wholesale access to satellite capacity or spectrum on fair, reasonable and non-discriminatory terms, e.g. for mobile virtual network operators.
- (22) Directive (EU) 2018/1972 of the European Parliament and of the Council<sup>31</sup> establishing the European Electronic Communications Code, provides a framework for coordinated spectrum management in the Union, including for satellite spectrum, setting out general principles which - in the absence of specific rules - are also relevant for Decision No 626/2008/EC. As a general rule, under the current framework, national competent authorities are responsible for the authorisation of the use of radio spectrum.
- (23) The existing MSS framework is based exclusively on national authorisation of satellite services and spectrum resources and has not made it possible to address the issue of fragmentation of authorisation conditions which affects the proper functioning of the single market. Although Decision No 626/2008/EC has harmonised certain authorisation conditions, national implementation in practice has been inconsistent and resulted in authorisation delays and fragmentation. In its Opinions<sup>32</sup>, the Radio Spectrum Policy Group (RSPG) called for stronger Union-level coordination on satellite authorisation, common requirements, and collective enforcement mechanisms. Such measures are essential to prevent regulatory fragmentation, and to enhance Union's competitiveness.
- (24) Elevation of authorisation at Union level with centralised enforcement should enable the Commission to react effectively in cases of non-compliance, in coordination, where necessary, with Member States authorities, to protect Europe's strategic interests, security, and technological sovereignty. It should also create the regulatory certainty needed to foster innovation, competition, and investment in particular, in the

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<sup>31</sup> Directive (EU) 2018/1972 of the European Parliament and of the Council of 11 December 2018 establishing the European Electronic Communications Code (OJ L 321, 17.12.2018, pp. 36, ELI: <http://data.europa.eu/eli/dir/2018/1972/oj>)

<sup>32</sup> RSPG Opinion on assessment of different possible scenarios for the use of the frequency bands 1980-2010 MHz and 2170-2200 MHz by the Mobile Satellite Services beyond 2027 (RSPG24-007Final), and RSPG Opinion on the EU-Level policy approach to satellite Direct-to-Device connectivity and related Single Market issues (RSPG25-020Final).

evolving D2D connectivity market. It is therefore necessary to bundle the selection and authorisation of holders of rights of use in the 2 GHz MSS band at the Union level.

- (25) This Regulation should hence also set out a framework for the Union authorisation of the 2 GHz MSS band. Union-level rights should be granted to selected satellite undertakings for spectrum use, system deployment, including complementary and airborne ground components, and service provision. This would address regulatory fragmentation and reinforce the Union's strategic autonomy and security, also supporting EU space and connectivity policy objectives. Union authorisation should ensure the avoidance of harmful interference by requiring the holders of rights of use to maintain permanent control over the transmission of all radio stations, including those operated outside the Union. It should also impose effective and efficient coordination with existing and future Union satellite systems and allow access to radio spectrum at the request of competent authorities in times of crisis.
- (26) Taking into account the strategic importance of the secure MSS/hybrid system, the right of use of the 2 GHz MSS band for that system should be subject to Union authorisation under tailored authorisation conditions. These conditions should ensure that selected applicants commit to the provision and continuous operation of secure governmental communications services, including the operation, maintenance, replenishment and protection of the relevant satellite and terrestrial infrastructure. Given the mission-critical nature of governmental services and their inherent link to the IRIS<sup>2</sup> system's governmental infrastructure, which is owned by the Union pursuant to the Article 6 of Regulation (EU) 2023/588, the Union authorisation should ensure the integration of the secure MSS/hybrid system with the IRIS<sup>2</sup> system. The call for applications should specify the level of integration of the secure MSS/hybrid system with the IRIS<sup>2</sup> system, for instance addressing the overall management of end-to-end security services by using hardware, software and standards in line with the specifications set out in Regulation (EU) 2023/588, ensuring the establishment on the Union's territory of a principal ground control station of the secure MSS/hybrid system as an integral part of the IRIS<sup>2</sup> network management, or hosting and management of IRIS<sup>2</sup> payloads. Furthermore, the Union authorisation should ensure compliance with the highest applicable cybersecurity requirements, and require appropriate measures to guarantee the integrity, security and resilience of the system components and their operation, thereby safeguarding the priority and continuity of governmental communications services.
- (27) Both incumbent holders of rights of use of spectrum in the 2 GHz MSS band have deployed certain mobile satellite services, which have been, to some extent, taken up by customers. Authorisation conditions could hence incentivise a degree of service continuity and for solving any dispute between incumbent operators and new entrants in this matter, in case the rights of use will be allocated to other undertakings.
- (28) Taking into account that the deployment of D2D technologies is still evolving and its operational characteristics and market uptake remains uncertain, it is appropriate to limit the duration of the rights of use in order to allow the Commission to reassess the technological, market and security conditions once the technology has matured. The rights of use of spectrum in the 2 GHz MSS band should, therefore, be authorised for a period of 20 years, which is sufficient to recuperate the initial investment and at the same time preserves regulatory flexibility, promotes efficient use of spectrum and allows the conditions of use to be adapted in light of technological developments following the initial deployment.

- (29) A comparative selection procedure should be used for the assignment of this spectrum, because the indirect benefits for the EU of the development of a satellite project and the provision of the mobile satellite services in this band are more important than the direct benefits from any possible auction proceeds. Moreover, applicants should be selected predominantly on the basis of the quality, and innovation capacity of their offers as well as on the basis of the extent to which the selection of a particular applicant or applicants promotes competition and avoids any threat to competition, and not by the amount offered as a financial contribution. This should be reflected in particular in the weighting of the criterion related to the avoidance of threats due to the possible creation or strengthening of a dominant position as well as by a lower weighting of the one-off financial contribution criterion.
- (30) The rights of use for secure MSS/hybrid system should be assigned through a comparative procedure against the commitment of the development and operation of a project, and any financial contribution. For preserving security, integrity and resilience of the secure MSS/hybrid system operation and for allowing compatibility of such system with the IRIS<sup>2</sup> system, the admissibility requirements should reflect the eligibility and participation conditions set out Article 24 of Regulation (EU) 2021/696.
- (31) Taking into account the importance of MSS for the Union, the Commission should be empowered to set in a call for application a date by which the continuous provision of MSS should commence. Continuous provision of MSS refers to the service for which all tests have been concluded, and service is fully commercially deployed and provided to users in an uninterrupted manner without degradation of service quality or service outages. This requires that a communication link is always established to a particular geographical area either by including that area in the coverage area of a geostationary Earth orbit satellite or by ensuring the seamless handover of the communication link to that area by satellites in non-geostationary Earth orbit or orbits or by combination thereof.
- (32) The rights for use of the 2 GHz MSS band for secure MSS/hybrid systems should not be transferable or leasable, in order to ensure that they are used for the purpose for and under the conditions which they were assigned. On the contrary, the rights of use for commercial purposes should be in principle transferable. The Commission should specify the conditions governing transfer or lease of the rights of use for commercial services at the time the rights are granted. The transfer of rights should be restricted to parties that meet the admissibility and eligibility criteria specified in this Regulation. To facilitate such transactions, and provided that technical implementing measures adopted under Decision No 676/2002/EC of the European Parliament and of the Council<sup>33</sup> are respected, the Commission should also consider requests to partition or disaggregate spectrum rights and to review the related conditions of use. The Commission should be able to refuse a transfer or lease on grounds of security, sovereignty, or other public policy objectives, including the promotion or maintenance of effective competition, or where there are insufficient guarantees that the spectrum will be used in accordance with the authorisation conditions or for its intended purpose.
- (33) The adequate characteristics of the 2 GHz MSS band for provision of D2D services and its exclusive use increase the economic value of the band for its users. The overall

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<sup>33</sup> Decision No 676/2002/EC of the European Parliament and of the Council of 7 March 2002 on a regulatory framework for radio spectrum policy in the European Community (OJ L 108, 24.4.2002, pp. 1, ELI: [http://data.europa.eu/eli/dec/2002/676\(1\)/oj](http://data.europa.eu/eli/dec/2002/676(1)/oj))

management of the 2 GHz band at the Union level would provide significant positive improvements for the single market by minimising market fragmentation, comparing to management on the level of Member States. In order to ensure an efficient allocation and use of the 2 GHz MSS band and, to support Union spectrum management activities as well as the continued provision of secure governmental communications to the Union and its Member States, it is appropriate to establish financial contributions and spectrum fees for the use of the 2 GHz MSS band.

- (34) Due to technological progress in the field of satellite communications, in particular the possibility of satellites to communicate with standard non-proprietary user mobile devices, and the convergence between TNs and NTN, the management of the 2 GHz MSS band at the European level has the potential to maximise its value for the Member States and the Union. This is hence necessary to effectively manage and efficiently use radio spectrum in a strategic way as a common resource. A Union authorisation allows its holder to access the band across the entire single market under uniform authorisation conditions, allowing the deployment of seamless pan-European services.
- (35) Given the high value of the 2 GHz MSS band, the comparative selection procedure should include amongst the selection criteria the requirement for applicants to propose a one-off financial contribution, in the form of a sealed bid. Such contribution reflects willingness to pay for the attribution of the scarce spectrum resource, against the constraints of the authorisation conditions, and promotes efficient allocation by capturing its competitive market value. Such financial contributions should however not result in the selection being determined predominantly by the amount offered.
- (36) The Commission may determine the conditions for setting out the amount of the minimum one-off contributions via delegated act, taking into account the value of the spectrum and the necessary investments. The minimum contribution for the right of use for the secure MSS/hybrid system could differ from the one for the MSS commercial system and could be set at zero, depending on the higher security requirements and additional investment needed to ensure the required level of security and the risk that the financial contribution would be to the detriment of security. A separate evaluation of the minimal amount of the one-off financial contribution for the secure MSS/hybrid system might be also justified by the expected higher cost of operation and lower economic viability of these systems due to the uncertainty of demand for secure governmental communication services. Additionally, this uncertainty combined with the obligation to prioritise secure governmental communications services renders difficult to predict when spectrum would be available for commercial use.
- (37) In view of the growing strategic importance of space-based capabilities in the global connectivity landscape, and of the positive improvements for the Single Market of managing 2 GHz MSS band at the Union level, the one-off contribution ensuring more efficient spectrum allocation should be collected at a Union level by decision addressed to the concerned providers. The revenue should be assigned to the European Competitiveness Fund (ECF) Digital Leadership Window's budget to contribute to strengthening the Union's competitiveness, resilience and strategic autonomy in the digital and space sector and in dual-use technologies. In particular, the ECF should support the development, scaling and industrial deployment of sovereign emerging, cutting-edge and dual-use technologies with significant economic and strategic potential, including technologies enabling secure connectivity, space-based services, resilient communications and related digital infrastructures. The ECF should also

foster innovative ecosystems and support cross-border investments contributing to the Union's technological leadership.

- (38) 2 GHz MSS spectrum right holders should be subject to an annual fee that reflects the value of the ongoing rights of use of the public resource, thereby discouraging spectrum hoarding and incentivising efficient use of spectrum. The annual fee should at least cover the administrative cost of management, control and enforcement of the general authorisation for provision of services and networks and of management of spectrum authorisation at Union level including the cost of implementing the relevant authorisation conditions and of monitoring spectrum use. It should further cover the initial operational costs of the Office of Digital Networks (ODN), established in the Regulation (EU) [XXX] of the European Parliament and of the Council on digital networks (Digital Networks Act).
- (39) The methodology for setting the annual fee should be defined by delegated act. The annual fee should be proportionate and should be set at an appropriate level so to balance the efficient use of the spectrum with the fulfilment of the broader policy goals of the Union, reflect the value of the right of use, and might include mechanisms to incentivise investments, deployment or quality of service. Principles and procedures for the collection of the fees and the use of the annual fee may be set out through an delegated act. Any amount exceeding the administrative cost as referred above should accrue the EU budget. The applicable amounts of the annual fees should be set out by decision addressed to the selected holders.
- (40) The Commission should, together with the Member States, take appropriate measures with a view to ensuring effective monitoring and enforcement of the Union authorisations, in full compliance of the rights of defence of the undertakings concerned. Monitoring arrangements to evaluate the provision of services and efficient use of spectrum should rely both on national capacities and the cooperation with the European Space Agency. National competent authorities responsible for spectrum management should inform the Commission of any breaches of authorisation conditions. The Commission should be empowered to impose fines or periodic penalty payments for breaches of authorisation conditions. Such fines should be proportionate and should take into account the gravity and duration of the infringement and, where the infringement concerns a breach of national rules, any penalties already imposed by national authorities. In order to effectively ensure compliance, Member States should give full effect within their territory to decisions imposing corrective measures or sanctions. Where the conditions attached to the use of the 2 GHz MSS band are breached through repeated and substantial non-compliance, the Commission should be empowered to withdraw the Union authorisation and should launch a new selection procedure in accordance with this Regulation.
- (41) The rights of use granted in accordance with Commission Decision 2009/449/EC<sup>34</sup> should be extended for a period of two years, under the same authorisation conditions currently provided in the Decision No 626/2008/EC and national legislation. The extension shall only benefit incumbent rights holders and ensure the continuity of their services. During the period of extension, the rights of use should neither be transferred nor leased or sub-leased. In order to ensure efficient use of spectrum, during the period of the extension of an existing licence, spectrum sharing should allow experiments and

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<sup>34</sup> Commission Decision of 13 May 2009 on the selection of operators of pan-European systems providing mobile satellite services (MSS), OJ L 149, 12.6.2009, pp. 65, ELI: <http://data.europa.eu/eli/dec/2009/449/oj>

trials by new users on a non-protection and non-interference basis. Such experimental activities would generate valuable technical and operational knowledge about emerging technologies, spectrum coexistence, and compliance challenges and accelerate the full-scale deployment of innovative services,

HAVE ADOPTED THIS REGULATION:

# CHAPTER I – GENERAL PROVISIONS

## *Article 1*

### **Subject matter and scope**

1. This Regulation establishes a comparative Union procedure in support of the internal market for selecting holders of the right to use spectrum in the 2 GHz mobile satellite services (MSS) band and for authorising those holders to use that spectrum for the provision of MSS systems or hybrid systems under common conditions in the entire Union.
2. The comparative Union procedure contributes to the Union's security and preparedness by selecting and authorising one holder of the right to use a portion of the 2 GHz MSS band for the provision of a secure MSS/hybrid system that enables long-term ubiquitous availability within the Union's territory of, and worldwide uninterrupted access to, secure, resilient, high-quality, and cost-effective governmental communication services to authorised governmental users.
3. This Regulation also supports the Union's competitiveness, resilience, technological sovereignty and economic security for the provision of mobile satellite networks and services by selecting and authorising one or more Union new entrants for a right to use a dedicated portion of the 2 GHz MSS band.

## *Article 2*

### **Definitions**

For the purposes of this Regulation, the definitions in Article 2 of Directive (EU) 2018/1972 shall apply.

The following definitions also apply:

- (1) 'mobile satellite services (MSS)' means either of the following:
  - (a) radiocommunications services between a mobile ground station and one or more space stations;
  - (b) radiocommunications services between mobile ground stations by means of one or more space stations;
  - (c) radiocommunications services between a mobile ground station and one or more complementary ground and/or airborne components;
- (2) 'ground station' means stationary terrestrial equipment, which is capable of being used either only for transmission ('transmit-only'), or for transmission and reception ('transmit-receive'), or only for reception ('receive-only'), of radiocommunication signals by means of satellites or other space stations and which originates and/or terminates traffic (e.g. for backhaul) for the communication with space stations;
- (3) 'complementary ground components' means ground-based stations used at fixed points and deployed in order to improve the availability of satellite services in geographical areas within the footprint of the satellites, where communications with one or more space stations cannot be ensured with the required quality;
- (4) 'complementary airborne components' means airborne stations used at specified, nominal, fixed points relative to the Earth surface and deployed in order to improve

the availability of satellite services in geographical areas within the footprint of the satellites, where communications with one or more space stations cannot be ensured with the required quality;

- (5) ‘continuous provision of MSS’ means the ability to maintain uninterrupted mobile satellite services at all times without degradation of service quality or service outages;
- (6) ‘2 GHz MSS band’ means radio spectrum in the frequency bands from 1 980 to 2 010 MHz for Earth-to-space communications, and from 2 170 to 2 200 MHz for space-to-Earth communications, which is harmonised at the Union level pursuant to Decision 2007/98/EC;
- (7) ‘paired block’ means two spectrum blocks of equal amount with a duplex spacing of 190 MHz within the 2 GHz MSS band, one used for Earth-to-space communications, and the other used for space-to-Earth communications.
- (8) ‘MSS system’ means a system capable of providing mobile satellite services that includes one or more space stations in one Earth orbit, or multiple space stations in different Earth orbits, and that may comprise complementary ground and/or airborne components;
- (9) ‘hybrid system’ means an integrated system, which consists of an MSS system and a terrestrial (e.g. mobile) network, and which provides communications services so that the MSS system ensures complementary coverage for the terrestrial network;
- (10) ‘secure governmental communications services’ means mobile satellite services which are provided to government-authorised users, by providers which fulfil appropriate security and resilience requirements, and which include one or several of the following applications: surveillance, crisis management, law enforcement, connection and protection of key infrastructures, public safety, civil protection/emergency response, state security and defence;
- (11) ‘dedicated governmental network layer’ means a circumscribed layer of the MSS/hybrid system, which is operated by the selected operator under the control of the Union in accordance with this Regulation and the call for applications. The determination of its main characteristics, supervision of its exploitation and determination of its users is to be done having regard to the principles and technical characteristics set out in Regulation (EU) 2023/588. This network provides a subset of secure governmental communications services to a limited category of governmental users with enhanced security requirements, for the sole use of the Union, its Member States or Union authorities or Member States authorities;
- (12) ‘secure MSS/hybrid system’ means an MSS or a hybrid system, owned or controlled either by the EU or by one or more of its Member States or by one or more natural persons who have the nationality only of Member States, which is intended to primarily provide secure governmental communications services in the 2 GHz MSS band;
- (13) ‘commercial MSS system’ means an MSS system which provides MSS to the public;
- (14) ‘landing of traffic’ means routing of mobile satellite communications traffic through a complementary ground component, a complementary airborne component or a ground station;
- (15) ‘security of the supply chain’ means the availability, throughout the lifetime of a system, of critical components, technologies, systems and knowhow required in the

deployment and operation of that system, including measures for mitigation of the risks related to possible disruptions in the supply of such components, technologies, and systems;

- (16) ‘incumbent’ means an undertaking which has been assigned rights to use the 2 GHz MSS band in accordance with Decision No 626/2008/EC and Commission Decision 2009/449/EC and any undertaking that has lawfully acquired control over it;
- (17) ‘turnover’ means the amount derived by an undertaking within the meaning of Article 5(1) of Council Regulation (EC) No 139/2004;
- (18) ‘Union new entrant’ means an undertaking which fulfils the admissibility requirements set out in Article 9 of this Regulation.
- (19) ‘control’ means the ability to exercise a decisive influence over a legal entity directly or indirectly through one or more intermediate legal entities.
- (20) ‘executive management structure’ means the body of a legal entity appointed in accordance with national law, and which, where applicable, reports to the chief executive officer or any other person having comparable decisional power, and which is empowered to establish the legal entity’s strategy, objectives and overall direction, and oversees and monitors management decision-making.

### *Article 3*

#### **International coordination**

1. For the purpose of coordination of the use of the frequencies, in the immediate geographic neighbourhood of the Union, including the Arctic region, the Commission shall have the power to make the necessary arrangements to cooperate with countries neighbouring the Union and to facilitate consistency/alignment in the authorisation of the 2 GHz MSS band and international coordination.
2. The Commission, assisted by the RSPG shall promote cooperation with competent authorities of third countries, with the view to maximising the efficient use of the 2 GHz MSS band at global level.

## CHAPTER II – SELECTION PROCEDURE

### Article 4

#### General rules

1. The Commission, assisted by the Communications Committee referred to in Article 22(1), shall organize and carry out a comparative selection procedure, for granting, upon application, rights of use of radio spectrum for six paired blocks of 5 MHz in the 2 GHz MSS band as follows:
  - (a) a right to use two contiguous paired blocks of 5 MHz primarily for the provision of the secure MSS/hybrid system,
  - (b) a right to use a paired block of 5 MHz or multiples thereof, or a portion of a shared paired block of 5 MHz, for the provision of a commercial MSS system by a Union new entrant,
  - (c) a right to use a paired block of 5 MHz or multiples thereof, or a portion of a shared paired block of 5 MHz, for the provision of a commercial MSS system by an applicant from a Member State or a third country.

The procedure referred to in the first subparagraph shall be open, transparent, non-discriminatory and proportionate, and shall be based on objective, non-discriminatory and proportionate criteria known in advance.

The Commission reserves the right to grant or not to grant any right of use referred to in the first subparagraph.

2. Applicants shall be given a fair and non-discriminatory opportunity to participate in the selection procedure. The procedure shall be open for single undertakings and for joint ventures, even if they do not perform on a lasting basis all the functions of an autonomous economic entity, irrespective of their public or private ownership.
3. An applicant may submit multiple applications for the rights of use for commercial MSS systems referred to in paragraph 1, points (b) and (c). An application may be conditional on the applicant's obtaining rights of use for a certain minimum amount of spectrum.

The maximum amount of spectrum that may be granted to a single applicant for the provision of a commercial MSS system referred to in paragraph 1, points (b) and (c) shall be a paired block of 10 MHz.

4. An applicant for the right of use for the provision of the secure MSS/hybrid system may additionally apply for rights of use for the provision of a commercial MSS system under the conditions specified in paragraph 3, second subparagraph.
5. The call for applications and all decisions made by the Commission throughout the phases of the comparative selection procedure as well as the final selection of applicants shall be published in the *Official Journal of the European Union*. The Commission shall seek advice and assistance from a panel of external experts, for the analysis and/or evaluation of applications. Such external experts shall be selected on the basis of their expertise and high level of independence and impartiality.

### Article 5

#### Comparative selection procedure

1. The comparative selection procedure shall comprise at most an admissibility phase, a first selection phase and a second selection phase.
2. The Commission shall, by way of implementing acts, issue a call for applications specifying inter alia/in particular the following:
  - (a) the procedural deadlines, evidence and documents to be included in the applications;
  - (b) the admissibility and eligibility requirements, and the selection criteria and their weighting;
  - (c) the authorisation conditions, including the date of commencement of the continuous provision of MSS;
  - (d) payment of any financial contribution and annual fee;
  - (e) where relevant, appropriate criteria ensuring compatibility between MSS and hybrid systems which would allow continuity of incumbent services and the provision of innovative services.

Those implementing acts shall be adopted in accordance with the advisory procedure referred to in Article 22(2).

3. Applications shall be submitted to the Commission.
4. In the admissibility phase, the Commission shall assess the admissibility of applicants based on the admissibility requirements set out in Articles 6, 9 and 10, as applicable, and on the completeness of their applications. The Commission may request applicants to supply additional information regarding the fulfilment of admissibility requirements within a specific time frame of between 5 and 20 working days upon notification. The application shall be deemed inadmissible if such information is not supplied within the specified time frame. The Commission shall inform applicants without delay on whether their applications are considered as admissible or not and publish a list of admissible applicants.
5. The first selection phase shall begin within 40 working days following the publication of the list of admissible applicants referred to in paragraph 4. The Commission shall assess whether admissible applicants fulfil the eligibility requirements laid down in Article 7(1) or Article 11(1), as applicable. The credibility and viability of applications shall be taken into account throughout the first selection phase.
6. If the applicants are not selected in the first phase in accordance with Article 7(2) or Article 11(2), the Commission shall carry out the second selection phase and rank eligible applicants based on the selection criteria in Article 8(1) or Article 12(1), as applicable.
7. The Commission may adopt a delegated act to extend the admissibility requirements of Articles 6 and 9 to applicants from geographically neighbouring countries, in particular where participation of applicants from such countries would bring significant added value in terms of access to specific technologies, goods or services, or would facilitate coordination to the benefit of seamless coverage of border areas. The delegated act shall specify the conditions for participation and include measures to ensure the protection of EU classified information (EUCI) and non-classified sensitive information, as well as any limitations as to the access of applicants,

including members of a joint venture, from third countries to the dedicated governmental network layer.

8. The Commission shall, by way of implementing acts, adopt a reasoned decisions on the non-admissibility or non-eligibility of an application, as relevant. Those implementing acts shall be adopted in accordance with the advisory procedure referred to in Article 22(2).

#### *Article 6*

##### **Admissibility phase for the secure MSS/hybrid system**

1. The following admissibility requirements shall apply to an applicant for the right of use of the 2 GHz MSS band for the secure MSS/hybrid system:
  - (a) to be a legal entity, including a joint venture, established in a Member State with its executive management established in the Union;
  - (b) to be directly or indirectly controlled only by the Union or one or more Member States or by natural persons who have the nationality only of Member States, and not to be subject to control by a third country or by a third country national;
  - (c) not be subject to obligations under third country jurisdiction;
  - (d) commit to support and promote the security and defence interests of the Union and its Member States as established in the framework of the Common Foreign and Security Policy pursuant to Title V of the Treaty on European Union;
  - (e) to commit to carry out all relevant activities related to the operation of the secure MSS/hybrid system in one or more Member States;
  - (f) to have one or more appropriate International Telecommunication Union (ITU) filing(s) related to the 2 GHz MSS band from a Member State and take all necessary measures to ensure compliance of the secure MSS/hybrid system with the ITU Radio Regulations.
2. Where an applicant is a legal person in the form of joint venture, the requirements set out in paragraph 1, points (a) to (e), shall apply to each legal or natural person of the joint venture, while the requirement set out in paragraph 1, point (f), shall apply to at least one member of the joint venture.
3. Where an applicant for a secure MSS/hybrid system also applies for a commercial MSS system, Articles 9, 11 and 12 shall apply for that part.
4. Applicants shall specify the amount they commit to pay as one-off financial contribution for the right of use of a paired block of 5 MHz in the 2 GHz MSS band, which shall be equal to or higher than the minimum amount specified in the call for applications.

#### *Article 7*

##### **First selection phase for the secure MSS/hybrid system**

1. The following eligibility requirements shall apply to applicants for the right of use of the 2 GHz MSS band for the secure MSS/hybrid system:

- (a) to show satisfactory compliance with pre-requisites 1 to 4 as set out in the Annex;
  - (b) to commit to provide availability of secure governmental satellite services in all Member States and to at least 95% of the population and over at least 90% of the aggregate land area of each Member State no later than five years from the date of commencement of the continuous provision of MSS;
  - (c) to commit to landing of traffic, which is generated using all services by end-users located in the Union territory or routed to or from the Union, within the Union territory;
  - (d) to demonstrate technical and financial capacity, and readiness for the development, launching and operation of the proposed secure MSS/hybrid system and provision of services by the date of commencement of the continuous provision of MSS;
  - (e) to ensure a high level of security of the supply chain at least for the key components of the secure MSS/hybrid system, which guarantees a reliable provision of secure governmental communications services;
  - (f) to ensure that at least the key components of the secure MSS/hybrid system, as specified in the call for applications, are manufactured in the EU and integrate Union technologies;
  - (g) to ensure integration with existing and future capacities of IRIS<sup>2</sup> secure communications services, as set out in Regulation (EU) 2023/588, in particular through the setting of a dedicated governmental network layer with the highest degree of security, guaranteeing interconnection with IRIS<sup>2</sup> ground infrastructure and technologies;
  - (h) to commit to provide the capacity for back-up and complementary coverage as well as for Direct-to-Device connectivity of the European Critical Communication Systems established by Regulation (EU) [XXX] of the European Parliament and of the Council establishing the European Critical Communication Systems;
  - (i) to demonstrate security of operation, including by ensuring that for all data generated and routed in the Union territory there will be no possibility for third party intervention in the provision of secure governmental communication services;
  - (j) to demonstrate that EU classified information (EUCI) and non-classified sensitive information relating to the provision of secure governmental communication services are effectively protected from unauthorised access.
2. The selection procedure shall be deemed complete after the first selection phase, if only one admissible applicant is considered eligible. The Commission shall, by means of implementing acts, adopt a reasoned decision on selecting that applicant for the right of use of the 2 GHz MSS band for the secure MSS/hybrid system. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 22(3).
  3. The Commission may decide not to assign the portion of the 2 GHz MSS band referred to in Article 4(1) point (a) where it concludes that, despite fulfilling the admissibility and eligibility requirements, none of the applicants has convincingly demonstrated a high-level of capability for the deployment and operation of a secure

MSS/hybrid system. In such a case, the Commission may relaunch the selection procedure for the secure MSS/hybrid system.

#### *Article 8*

##### **Second selection phase for the secure MSS/hybrid system**

1. The Commission shall rank eligible applicants for the right of use of the 2 GHz MSS band for the secure MSS/hybrid system based on the following selection criteria, which shall be further specified in the call for applications, including as regards their weighing:
  - (a) population and geographic coverage in the Union within ten years from the date of commencement of the continuous provision of MSS, comprising the following sub-criteria:
    - (i) the degree of population coverage in the Union, based on the population in residential or business areas, including high-latitude polar areas within the Union territory, which is within the service area of the system;
    - (ii) the degree of geographical coverage in the Union, based on the aggregate land area and on the exclusive economic zones and territorial waters of all Member States, which is within the service area of the system;
    - (iii) the degree of geographical coverage outside the Union, based on the service area of the system within territories of non-EU countries and high seas;
  - (b) the schedule of availability of secure governmental communications services across all Member States within ten years from the date of commencement of the continuous provision of MSS.
  - (c) the extent to which the public policy objectives, integrity, security and resilience of the services, are achieved;
  - (d) the capacity of an MSS system to be integrated in a hybrid system, and to provide multiple orbit layers;
  - (e) the quality, suitability and robustness of integration with IRIS<sup>2</sup>, as specified in the call for applications.
  - (f) the extent to which the secure MSS/hybrid system enables dual-use provision of secure governmental and commercial communications services;
  - (g) Union added value, in accordance with the following sub-criteria;
    - (i) the extent to which the secure MSS/hybrid system reinforces the Union's industrial capabilities across the digital technology supply chain, inter alia in terms of design, construction, launch and operation of the satellites, including the software;
    - (ii) the level of integration of Union technologies, including the use of results stemming from Union funded research and innovation programs.
  - (h) the scope of secure governmental communications services, including a deployment path towards the provision of Direct-to-Device services;
  - (i) the discount offered for services to governmental users compared to commercial users (discount rate).

- (j) the level of efficient use of spectrum;
  - (k) the level of implementation of quantum secure communications;
  - (l) the amount of the one-off financial contribution for a paired block of 5 MHz.
2. After the second selection phase, the Commission shall, by way of implementing acts, adopt a reasoned decision on the non-eligibility of applicants and on selecting the highest-ranking eligible applicant for the right of use of the 2 GHz MSS band for the secure MSS/hybrid system. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 22(3).
3. The Commission may decide not to assign the portion of the 2 GHz MSS band referred to in Article 4(1), point (a), where it concludes that, despite fulfilling the admissibility and eligibility requirements, and the selection criteria, none of the applicants has convincingly demonstrated a high-level of capability for the deployment and operation of a secure MSS/hybrid system. In such a case, the Commission may relaunch the selection procedure for the secure MSS/hybrid system.

#### *Article 9*

##### **Admissibility phase for commercial MSS systems of Union new entrants**

1. The following admissibility requirements shall apply to Union new entrants for the right of use of the 2 GHz MSS band for commercial MSS systems referred to in Article 4(1), point (b):
- (a) to be a legal entity, including a joint venture, established in a Member State with its executive management established in the Union;
  - (b) to be directly or indirectly controlled only by the Union or one or more Member States or by natural persons who have the nationality only of Member States;
  - (c) not be subject to obligations under third country jurisdiction in relation to the provision of MSS in the Union;
  - (d) to exercise full control over their corporate structure and decision-making process in a manner that does not restrain or restrict in any way their ability to perform and complete the obligations under this Regulation;
  - (e) not to contravene the security and defence interests of the Union and its Member States as established in the framework of Common Foreign and Security Policy pursuant to Title V of the Treaty on European Union;
  - (f) with respect to cybersecurity and data security, not be subject to the jurisdiction of a third country requiring them to report information on software or hardware vulnerabilities to authorities of that third country prior to those vulnerabilities being known to have been exploited or not be subject to jurisdiction of a third country against which there is a public statement on behalf of the Union or any Member State that threat actors operating out of the territory of that third country have carried out malicious cyber activities or campaigns;
  - (g) to be covered by one or more appropriate ITU filings related to the 2 GHz MSS band and to take all necessary measures ensuring compliance of the proposed commercial MSS system with the ITU Radio Regulations.

2. For each ITU filing with a notifying administration in a third country, applicants shall provide evidence that the jurisdiction of that country provides for effective management and dispute resolution of harmful interference and implements tools for immediate accountability in case of unlawful use.
3. Where an applicant is a joint venture, the requirements set out in paragraph 1, points (a) to (f), shall apply to each member of the joint venture, whereas the requirement set out in of paragraph 1, point (g) shall apply to at least one member of the joint venture.
4. Applicants shall include statements and evidence concerning the requested number of paired blocks of spectrum of 5 MHz or a part thereof in the 2 GHz MSS band and its effective use.
5. Applicants shall specify the amount they commit to pay as one-off financial contribution for the right of use of the 2 GHz MSS band per 5 MHz paired block or part of it, which shall be equal to or higher than the amount specified in the call for applications.

#### *Article 10*

#### **Admissibility phase for commercial MSS systems of applicants from a Member State or a third country**

1. The following admissibility requirements shall apply to the applicants for the use of the 2 GHz MSS band for commercial MSS systems, referred to in Article 4(1), point c:
  - (a) to be established in the Union, or in the absence of such establishment, to designate a single point of contact in the Union to enable them to communicate directly, by electronic means, with Member States' authorities, and the Commission;
  - (b) to exercise full control over their corporate structure and decision-making process in a manner that does not restrain or restrict in any way their ability to perform and complete the obligations under this Regulation;
  - (c) where applicants are subject to the control of a third-country or a third-country legal entity, it must be demonstrated that appropriate legal, technical and organisational measures are implemented to prevent access by a third-country or by a third-country entity to customer data;
  - (d) not to contravene the security and defence policies of the Union and its Member States as established in the framework of Common Foreign and Security Policy pursuant to Title V of the Treaty on European Union;
  - (e) with respect to cybersecurity and data security, not be subject to the jurisdiction of a third country requiring them to report information on software or hardware vulnerabilities to authorities of that third country prior to those vulnerabilities being known to have been exploited or not be subject to jurisdiction of a third country against which there is a public statement on behalf of the Union or any Member State that threat actors operating out of the territory of that third country have carried out malicious cyber activities or campaigns;

- (f) to be covered by one or more appropriate ITU filings related to the 2 GHz MSS band and to take all necessary measures ensuring compliance of the proposed commercial MSS system with the ITU Radio Regulations.
- 2. For each ITU filing with a notifying administration in a third country, applicants shall provide evidence that the jurisdiction of that country provides for effective management and dispute resolution of harmful interference and implements tools for immediate accountability in case of unlawful use.
- 3. Where an applicant is a joint venture, the requirements set out in paragraph 1, points (a) to (e), shall apply to each member of the joint venture, whereas the requirement set out in of paragraph 1, point (f) shall apply to at least one member of the joint venture.
- 4. Applicants shall include statements and evidence concerning the requested number of paired blocks of spectrum of 5 MHz or a part thereof in the 2 GHz MSS band and its effective use.
- 5. Applicants shall specify the amount they commit to pay as one-off financial contribution for the right of use of the 2 GHz MSS band per 5 MHz paired block or part of it, which shall be equal to or higher than the amount specified in the call for applications.

#### *Article 11*

##### **First selection phase for commercial MSS systems**

- 1. The following eligibility requirements shall apply to applicants for the right of use of the 2 GHz MSS band for commercial MSS systems referred to in Article 4(1), points (b) and (c):
  - (a) to show satisfactory compliance with pre-requisites 1 to 4 as set out in the Annex;
  - (b) to commit to provide services in all Member States and to at least 95 % of the population and at least 90 % of the aggregate land area of each Member State no later than five years from the date of commencement of the continuous provision of MSS;
  - (c) to commit to landing of traffic, which is generated using all services by end-users located in the Union territory or routed to or from the Union, within the Union territory;
  - (d) to demonstrate technical and financial capacity, and readiness for the development, launching and operation of the proposed commercial MSS system and provision of MSS by the date of commencement of the continuous provision of MSS;
  - (e) to ensure a high level of security of the supply chain at least for the key components of the commercial MSS system as specified in the call for application, which guarantee the reliable provision of MSS;
  - (f) to demonstrate security of operations, including by ensuring that, for all data generated and routed in the Union territory:
    - (i) there is no possibility for a third party's intervention in the provision of the service;

- (ii) sensitive information relating to the provision of the service is effectively protected from unauthorised access;
  - (g) to demonstrate that the integrity, security and resilience of services are ensured by EU-accountable entities;
  - (h) to ensure the efficient use of spectrum.
2. The selection procedure shall be completed after the first selection phase, if the total amount of spectrum required by all eligible applicants does not exceed the amount of spectrum available for commercial MSS systems under Article 4(1), points (b) and (c). The Commission shall, by way of implementing acts, adopt a reasoned decision on selecting those applicants for the right of use of the 2 GHz MSS band for commercial MSS systems. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 22(3).

## *Article 12*

### **Second selection phase for commercial MSS systems**

1. The Commission shall rank eligible applicants for the rights of use of the 2 GHz MSS band for commercial MSS systems referred to in of Article 4(1), points (b) and (c) based on the following selection criteria, which shall be further specified in the call for applications, including as regards their weighing:
- (a) population and geographic coverage in the Union within ten years from the date of commencement of the continuous provision of MSS, comprising the following sub-criteria:
    - (i) the degree of population coverage in the Union, based on the population in residential and business areas, including high-latitude polar areas within the Union territory, which is within the service area of the system;
    - (ii) the degree of geographical coverage, based on the aggregate land area and on the exclusive economic zones and territorial waters of all Member States, which is within the service areas of the system;
  - (b) the schedule of availability of services across all Member States within ten years from the date of commencement of the continuous provision of MSS;
  - (c) the extent to which the commercial MSS system enables dual-use provision of secure governmental and commercial communications services;
  - (d) Union added value, in accordance with the following sub-criteria;
    - (i) the extent to which the commercial MSS system reinforces Union's industrial capabilities across the digital technology supply chain, inter alia in terms of design, construction, launch and operation of the satellites, including the software;
    - (ii) the level of integration of Union technologies, including the use of results stemming from Union funded research and innovation programmes;
    - (iii) the extent to which the public policy objectives integrity, security and resilience of the services are achieved;
  - (e) consumer and competitive benefits, in accordance with the following sub-criteria:

- (i) the schedule of the full-scale provision of services in the 2 GHz MSS band, and the related number of end-users and/or devices served with specific capabilities of the system in terms of quality of service;
- (ii) the scope of services provided, including a deployment path towards Direct-to-Device services;
- (f) promotion of competition, including through the provision of wholesale access under fair, reasonable and non-discriminatory terms and conditions, or of a wholesale-only network;
- (g) avoiding threats to competition, in particular due to the possible creation or strengthening of a dominant position;
- (h) efficient use of spectrum, in accordance with the following sub-criteria:
  - (i) the total amount of spectrum required;
  - (ii) capacity characteristics of aggregated data stream, antenna systems, types of payloads, frequency reuse, orbit and satellites serving the Union;
  - (iii) the ability to share spectrum and/or to coexist efficiently with other users within the 2 GHz MSS band;
- (i) the extent to which public policy objectives, not covered under points (a), (e) and (g) are achieved, in accordance with the following sub-criteria:
  - (i) provision of public interest services contributing to the protection of health and safety of citizens in general or of specific groups of citizens;
  - (ii) ensuring interoperability and regular upgrade of the satellite system;
  - (iii) overall environmental impact of the system;
- (j) the amount of the one-off financial contribution per MHz for the requested right of use for the 2 GHz MSS band per paired block of 5 MHz or parts of it.

2. After the second selection phase, the Commission shall, by way of implementing acts, adopt a reasoned decision on the non-eligibility of applicants and on selecting the highest-ranking applicants per paired block of 5 MHz, taking into account the amount of spectrum available for commercial MSS systems under Article 4(1), points (b) and (c). Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 22(3).

## CHAPTER III - UNION AUTHORISATION IN THE 2 GHz MSS BAND

### Article 13

#### Union authorisation

1. The use of radio spectrum in the 2 GHz MSS band by the selected applicants shall be subject to Union authorisation, granted by the Commission, subject to the conditions laid down in Article 14(1) or Article 15(1) as applicable.
2. The authorisation referred to in paragraph 1 shall include a general authorisation for the provision of MSS and the satellite networks providing MSS, including ground stations and, where applicable, complementary ground and airborne components, which shall only be subject to conditions, if any, specified in accordance with paragraph 5.
3. The Union authorisation shall confer on the authorised undertaking the same rights and obligations in each Member State without a need to separately notify to or seek a separate authorisation from any Member State.
4. The general authorisation referred to in paragraph 2 shall confer on the authorised undertaking the minimum rights derived from the general authorisation provided for in Article 15 of Directive (EU) 2018/1972. Articles 18, and 19 of that Directive shall apply *mutatis mutandis* to the general authorisation referred to in paragraph 2 with regard to amendments, restrictions and withdrawal of rights and obligations [under the general authorisation].
5. The Commission, taking into account any opinion of the Radio Spectrum Policy Group (RSPG), shall, by means of implementing acts, impose the conditions attached to the authorisation referred to in paragraph 2 from amongst the conditions listed in Part A of Annex I to Directive (EU) 2018/1972 which shall include but not be limited to:
  - (a) maintenance of integrity, security and resilience of the satellite networks and satellite communications services;
  - (b) compliance with cybersecurity rules, including ICT supply chain requirements pursuant to the Regulation (EU) [XXX] of the European Parliament and of the Council on Cybersecurity Act 2;
  - (c) maintenance of permanent control over the transmission of all radio stations, including ground stations and, where applicable, complementary ground and airborne components, using the radio spectrum authorised under the Union authorisation, even where they are owned, installed or operated by third parties or not located within the Union;
  - (d) fulfilment of data retention and lawful interception obligations and obligations related to electronic evidence in criminal proceedings in accordance with Regulation (EU) 2023/1543 of the European Parliament and the Council<sup>35</sup>. The implementing act adopted pursuant to the first sub-paragraph shall set objective

<sup>35</sup> Regulation (EU) 2023/1543 of the European Parliament and of the Council of 12 July 2023 on European Production Orders and European Preservation Orders for electronic evidence in criminal proceedings and for the execution of custodial sentences following criminal proceedings, OJ L 191, 28.7.2023, pp. 118, ELI: <http://data.europa.eu/eli/reg/2023/1543/oj>

criteria for designating the obligations on data retention and lawful interception and legal representatives in accordance with Directive (EU) 2023/1544 of the European Parliament and of the Council<sup>36</sup> which shall be set as condition to the EU satellite authorisation.

Those implementing acts referred to in the first sub-paragraph shall be adopted in accordance with the advisory procedure referred to in Article 22(2).

6. The authorisation referred to in paragraphs 1 and 2 shall not relieve its holder from spectrum coordination and sharing obligations with respect to existing or future satellite networks or satellite communications services in the Union, stemming from the ITU Radio Regulations.
7. Where an authorised undertaking providing a commercial MSS system is different from an incumbent, the authorised undertaking shall, upon request by an incumbent, negotiate with the incumbent a solution for the temporary continuation of services existing at the time of adoption of this proposal and described in the call for applications for a maximum of [five] years following the date of authorisation. Such a solution may include shared access to sufficient spectrum under the right of use of the selected applicant. Upon negotiation to be conducted in good faith by both parties, incumbents shall give access to their infrastructure or intellectual property according to FRAND terms and may submit their dispute to arbitration in compliance with Union law and with national law compliant with Union law in compliance with Union law and with national law.
8. Any arbitration seat agreed between the parties for settling any dispute or claim arising out of or in connection with this Regulation shall lie within the Union. This shall be without prejudice to the right of the parties to submit any dispute arising under this Regulation to the Commission. In such cases, the Commission shall act as a dispute resolution authority and apply the procedure of Article 26 of Directive (EU) 2018/1972 *mutatis mutandis*.

#### *Article 14*

#### **Conditions for use of the 2 GHz MSS band for the provision of the secure MSS/hybrid system**

1. The holder of the authorisation for the secure MSS/hybrid system, granted under Article 13(1) as Union authorisation, shall be subject to the following conditions:
  - (a) to use the spectrum primarily for the provision of a secure MSS or hybrid system;
  - (b) to pay a one-off financial contribution as proposed in its application and annual fees for its rights of use of the 2 GHz MSS band;
  - (c) to provide secure governmental communications services on fair, reasonable and non-discriminatory terms and conditions in all Member States to:
    - (i) a Union or Member State public authority or a body entrusted with the exercise of public authority;

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<sup>36</sup> Directive (EU) 2023/1544 of the European Parliament and of the Council of 12 July 2023 laying down harmonised rules on the designation of designated establishments and the appointment of legal representatives for the purpose of gathering electronic evidence in criminal proceedings, OJ L 191, 28.7.2023, pp. 181, ELI: <http://data.europa.eu/eli/dir/2023/1544/oj>

- (ii) a natural or legal person acting on behalf and under the control of an entity referred to in point (i);
  - (d) where relevant, to use the available capacity, not used for the full-scale provision of secure governmental communications services, for the provision of commercial MSS services upon demand in accordance with paragraph 2 on the basis of a pre-defined prioritisation process;
  - (e) to accept to work on behalf of, or under the control of, the Union or a Member State's public authority or a body entrusted with exercising a public authority, in accordance with Union law;
  - (f) to ensure the integration of the secure MSS/hybrid system with the IRIS<sup>2</sup> system architecture, in accordance with the specifications of Regulation (EU) 2023/588 and the call for applications;
  - (g) to use the spectrum efficiently while meeting the requirements set out in Articles 7 and 8 as well as milestones 5 and 6 set out in the Annex within the timeframe specified in the application;
  - (h) to use the rights of use in a manner that is consistent with the Union's policies relying on spectrum, by not causing harmful interference to any satellite system authorised in the Union or financed under Union's programmes;
  - (i) to honour any commitments given in its application or during the comparative selection procedure, irrespective of its phase, for the whole duration of the right of use of spectrum;
  - (j) to exploit activities comprising the operation, maintenance, continuous improvement and protection of the satellite and terrestrial infrastructure, including replenishment and lifecycle management of critical technologies and components;
  - (k) to implement measures to ensure the protection of EU Classified Information (EUCI) under Article 43 of Regulation (EU) 2021/696;
  - (l) to provide the Commission and the Communications Committee with an annual report detailing the status of development of their proposed system.
2. The holder of the right of use for the secure MSS/hybrid systems shall always prioritise the provision of secure governmental communications services over the provision of commercial MSS.

If the holder of the right of use for the secure MSS/hybrid system also obtains a right of use for a commercial MSS system in accordance with Article 4(4), that holder may use the spectrum under both rights in a shared manner for both systems, while preserving unconditional priority of provision of secure governmental communications services.

The provision of commercial MSS shall not be to the detriment of the quality and security of the secure governmental communications services.

3. The Commission may withdraw the right of use of spectrum in accordance with Article 19(3), where the Commission establishes that the spectrum is not efficiently used after a period of five years from the date on which the Union authorisation was granted. Efficient use of spectrum in the 2 GHz MSS band shall be defined by the Commission in detailed arrangements for monitoring set out in accordance with Article 19(1).

## Article 15

### Conditions for use of the 2 GHz MSS band for the provision of commercial MSS systems

1. The holder of the authorisation for a commercial MSS system, granted under Article 13(1), shall be subject to the following conditions:
  - (a) to use of the spectrum exclusively for the provision of an MSS system.
  - (b) to ensure that the space-based component of an MSS system carries the predominant portion of the total data traffic;
  - (c) to use the spectrum efficiently while meeting the requirements set out in Articles 10 and 11 as well as milestones 5 and 6 set out in the Annex within the timeframe specified in the application;
  - (d) to use the right in a manner that is consistent with the Union's policies relying on spectrum, especially by avoiding to risk causing or to cause: harmful interference to any satellite system authorised in the Union or financed under Union's programmes, and granting access to the 2 GHz MSS band under this right at the request of a competent authority at times of crises, on the basis of a pre-defined prioritisation process;
  - (e) to honour any commitments given in their applications or during the comparative selection procedure, irrespective of its phase, for the whole duration of the right of use of spectrum;
  - (f) to pay a one-off financial contribution as proposed in its application, and annual fees for its rights of use of the 2 GHz MSS band ;
  - (g) to grant, upon request, wholesale access, under objectively justified, non-discriminatory, proportionate and transparent conditions;
  - (h) not to conclude exclusive agreements with providers of retail services, where the selected undertaking supplies more than 50% of the wholesale or retail mobile satellite services in a given Member State;
  - (i) to provide to the Commission and the Committee of an annual report detailing the status of development of their proposed system.
2. The Commission may withdraw the right of use of spectrum in accordance with Article 19(3), where the Commission establishes that the spectrum is not efficiently used after a period of five years from date on which the Union authorisation was granted. Efficient use of paired blocks of 5 MHz in the 2 GHz MSS band shall be defined by the Commission in the detailed arrangements for monitoring set out in accordance with Article 19(1).

## Article 16

### Duration and renewal of rights of use

1. The duration of the right of use of the 2 GHz MSS band shall be determined by the Commission in accordance with Articles 14(1) and 15(1). The duration shall be 20 years.
2. The selected undertakings, as well as any legal successor, shall fulfil the admissibility and eligibility criteria and the authorisation conditions throughout the entire duration of the right of use.

3. The right of use of 2 GHz MSS band shall be renewed once for a similar duration and with similar conditions upon request by its holder.
4. The Commission may decide, at least five years before the expiry of the right of use, not to renew the right of use but let it expire. Before that expiry and in order to ensure continuity of the service, the Commission shall organise an open, transparent and non-discriminatory selection and authorisation procedure in order to grant new rights, or to renew the existing rights subject to a different duration or to different conditions for one or several of the following reasons:
  - (a) the fulfilment of public policy objectives under Union law or national law, taking also into account the importance of existing investments;
  - (b) the implementation of a new technical implementing measure adopted in accordance with Article 4 of Decision No 676/2002/EC;
  - (c) the non-implementation of one of the conditions attached to the right of use concerned by its holder;
  - (d) the need to promote, or avoid any distortion of, competition;
  - (e) the need to render the use of radio spectrum more efficient in light of technological or market evolution;
  - (f) the significant evolution of the value of the spectrum.
5. The decision of renewal shall be accompanied by a review of the annual fees and one-off financial contributions for the use of the 2 GHz MSS band.

#### *Article 17*

##### **Transfer and lease of rights of use**

1. The rights of use for commercial MSS systems may be transferred only to undertakings which fulfil the admissibility and eligibility criteria and the authorisation conditions.
2. Rights of use for the provision of secure MSS/hybrid systems may not be transferred.
3. The holder of rights of use for commercial MSS systems shall notify its intention to transfer or lease any of the rights of use of blocks of the 2 GHz MSS band, as well as the effective date and the conditions thereof, to the Commission which shall make that information public.
4. The Commission shall take a decision to authorise the transfer or lease of rights of use for a commercial mobile satellite system, except where:
  - (a) there is a risk of distortion of competition;
  - (b) there is a risk that the new user is unable to meet the admissibility and eligibility criteria or the authorisation conditions or the commitments given by the original holder of the right of use during the selection procedure;
  - (c) there is a risk for the Union's sovereignty, resilience, security or defence;
  - (d) there is a significant risk of disruption of continuity of service or of inefficient use of spectrum.
  - (e) the spectrum cap of Article 4(3) is already attained.

5. From the date of the transfer or lease, the transferee or lessee shall be bound by the original conditions attached to the right of use, and the commitments given by the original holder of the right of use during the selection procedure. The right of use shall not be used for the provision of a service to end-users which is different than the service originally intended in the application, unless authorised by the Commission.
6. Any agreement implying change of control of a selected undertaking shall be notified to the Commission prior to taking legal effect and shall be subject to the approval of the Commission. The Commission shall withdraw the right of use, where, as a consequence of the change of control any of the requirements or criteria of Articles 6 to 12, as applicable, are no longer fulfilled.

### *Article 18*

#### **Contributions and fees for rights of use of the 2 GHz MSS band**

1. A holder of a right of use of the 2 GHz MSS band shall pay an one-off financial contribution reflecting the value of the right for the applicant and ensuring the efficient allocation of the spectrum. The proposed amount of the contribution must be specified in the application. Upon request, the Commission may allow that the payment of the one-off financial contribution is made in instalments.
2. The Commission shall determine the minimal level of the one-off financial contribution, in order to ensure the efficient allocation of the 2 GHz MSS band as well as the effective investment and deployment of mobile satellite systems and services. Applicants shall take into account this minimum level in their applications. The minimum level of the one-off contribution may be different for commercial MSS systems and for the secure MSS hybrid system.
3. The Commission shall collect the one-off financial contributions by a decision that may be addressed to the selected applicants. The total amount of all one-off financial contributions shall be allocated to support the objectives of digital leadership under the Regulation (EU) [ref] establishing the European Competitiveness Fund<sup>[footnote]</sup>, or its successors. The one-off financial contribution shall constitute external assigned revenue in accordance with Article [5(1)] of Regulation (EU) [XXX] of the European Parliament and of the Council establishing the European Competitiveness Fund and Article 21(5) of Regulation (EU, Euratom) 2024/2509<sup>37</sup>.
4. All holders of rights of use of the 2 GHz MSS band shall pay an annual fee. The Commission shall set the annual fees per spectrum block or parts thereof to reflect the actual value of the right of use to contribute to the efficient use of the 2 GHz MSS band. Annual fees shall cover at least the costs related to management, control and enforcement of the general authorisation and the spectrum procedures and authorisation measures at Union level, including the cost of authorisation conditions, monitoring and compliance as well as including costs sustained by any Union body supporting the Commission in spectrum management.
5. The Commission or any Union body supporting the Commission in spectrum management shall collect the annual fees as set out by one or more decisions that may be addressed to the selected holders. The revenues generated by the annual fees

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<sup>37</sup> Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union, OJ L, 2024/2509, ELI: <http://data.europa.eu/eli/reg/2024/2509/oj>

shall constitute external assigned revenue in accordance with Article 21(5) of Regulation (EU, Euratom) 2024/2509. Those revenues shall be assigned to cover the estimated administrative costs related to management, control and enforcement of the general authorisation and to the spectrum procedures and authorisation measures at Union level, including monitoring and compliance. Any revenue remaining after covering these costs shall be assigned to the Union budget.

6. By [12 month after the date of entry into force of this Regulation] the Commission shall, by a delegated act, determine the methodology for setting the minimum levels of the one-off financial contribution and the amount of annual fees, as well as other relevant details related to the establishment, collection, review, assignment and, if needed, management of funds. The delegated act shall also specify the precise Union budgetary treatment of the revenue and its type of assignment to a particular expenditure.
7. The Commission shall, by way of implementing acts, determine the level of annual fee and the minimum levels of the one-off financial contribution taking into account the methodology referred to in paragraph 6. Those implementing acts shall be adopted in accordance with the procedure referred in Article 22(3).

#### *Article 19*

#### **Monitoring and enforcement**

1. The Commission and the Member States, [collaborating within the Committee and the RSPG] shall monitor the compliance of holders of Union authorisation for rights of use of 2 GHz MSS band with the relevant conditions pursuant to Article 13(5), Article 14(1) and Article 15(1) as well as Union law and the applicable ITU Radio Regulations, and shall take appropriate measures to address any non-compliance.

The Commission shall, by way of implementing acts, establish detailed arrangements for the coordinated monitoring and enforcement of the Union authorisations for the 2 GHz MSS band. Those implementing acts shall be adopted in accordance with the advisory procedure referred to in Article 22(2).

2. The Commission shall examine any alleged specific breach of a condition to a Union authorisation or any provision of this Regulation. The RSPG shall assist the Commission in the examination thereof.

Where a national competent authority is of the opinion that a Union authorisation holder fails to comply with any spectrum authorisation condition or with any provision of this Regulation, it shall bring the matter to the attention of the Commission and of the RSPG.

Where the Commission finds that a holder of a Union authorisation does not comply with any condition laid down in Article 13(5), Article 14(1) or Article 15(1), it shall inform that entity of its findings.

3. In case of breach of the conditions of Articles 14 or 15 of this Regulation, or any other provision of this Regulation, the Commission shall, by way of implementing acts, adopt appropriate and proportionate corrective measures. Those corrective measures may include, in particular:
  - (a) temporary or permanent prohibition of using of certain blocks of the 2 GHz MSS band for satellite complementary ground and airborne components in the Union;

(b) suspension or withdrawal of the Union authorisation.

The Commission may withdraw the Union authorisation where it establishes that one or more conditions listed in Articles 14(1) and Article 15(1) are not complied with in a serious or persistent manner. In the event of the withdrawal of a Union authorisation, the Commission may allow the use of the spectrum by any other selected applicant on a temporary basis. The Commission shall launch a new selection procedure in accordance with Article 3 of this Regulation for the reassignment of the radio spectrum subject to withdrawal of Union authorisation.

The implementing acts referred to in the first sub-paragraph shall be adopted in accordance with the examination procedure referred to in Article 22(3).

4. The Commission may impose fines or periodic penalty payments on undertakings for breaches of authorisation conditions or provisions of this Regulation, except from the conditions provided in Article 14(1) point (b) and 15(1) point (f.) Those fines or periodic penalties shall be set taking into account the gravity and the duration of the breach and shall not exceed 5% of total worldwide turnover of the authorisation holder in the preceding financial year. Fines shall be governed in accordance with Articles 107 and 108 of Regulation (EU, Euratom) 2024/2509.

Any measure decided by the Commission, pursuant to paragraph 1 and 2, shall be enforced by the national competent authorities to its full extent and within the deadline set by the Commission.

5. Notwithstanding paragraphs 1 to 4 of this Article, where radio spectrum fees and contributions have not been paid, and in the case of non-compliance with conditions set out in Article 13(2) and 13(5) of this Regulation, the procedure set out in Article 30 of Directive (EU) 2018/1972 shall apply *mutatis mutandis*.

## CHAPTER IV - FINAL PROVISIONS

### *Article 20*

#### **Transitory provisions**

1. The duration of the existing rights of use granted in accordance with Decision 2009/449/EC to the incumbents, Viasat and Echostar, are extended, upon request, for a period of two years, under the authorisation conditions applicable at the date of entry into force of this Regulation. This extension benefits the incumbents and is provided only to ensure the continuity of the services provided for at least five years before the entry into force of this Regulation. To benefit of such an extension, during this extension period the rights shall not be transferred, nor leased or sub-leased. For the purpose of coordinated application of the rules on monitoring and enforcement, Commission Decision 2011/667 of 10 October 2011<sup>38</sup> continues to apply.
2. During the extension period, the Commission may take a decision to impose sharing conditions for testing and experimental use within the band, in accordance with the advisory procedure referred to in Article 22(2).

### *Article 21*

#### **Exercise of the delegation**

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.
2. The power to adopt delegated acts referred to in Article 5(7) and Article 18(6) shall be conferred on the Commission for an indeterminate period of time from [*date of entry into force of this Regulation*].
3. The delegation of power referred to in Article 5(7) and Article 18(6) may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.
4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making.
5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.
6. A delegated act adopted pursuant to Article 5(7) and Article 18(6) shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they

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<sup>38</sup> Commission Decision of 10 October 2011 on modalities for coordinated application of the rules on enforcement with regard to mobile satellite services (MSS) pursuant to Article 9(3) of Decision No 626/2008/EC of the European Parliament and of the Council, OJ L 265, 11.10.2011, pp. 25, ELI: <http://data.europa.eu/eli/dec/2011/667/oj>

will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

#### *Article 22*

##### **Committee procedure**

1. The Commission shall be assisted by the committee ('Communications Committee') set up by Article 118 of Directive (EU) 2018/1972. This is within the meaning of Regulation (EU) No 182/2011.
2. Where reference is made to this paragraph, Article 4 of Regulation (EU) No 182/2011 shall apply.
3. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

#### *Article 23*

##### **Repeal**

Decision No 626/2008/EC is repealed from [the day of ].

#### *Article 24*

##### **Entry into force**

This Regulation shall enter into force on the third day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

*For the European Parliament*  
*The President*

*For the Council*  
*The President*

## **LEGISLATIVE FINANCIAL AND DIGITAL STATEMENT**

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# 1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

## 1.1. Title of the proposal/initiative

Regulation of the European Parliament and of the Council on the procedure for authorisation of systems providing mobile satellite services (MSS) using the harmonised 2 GHz frequency band and repealing Decision No 626/2008/EC

## 1.2. Policy area(s) concerned

Radio Spectrum Policy

## 1.3. Objective(s)

### 1.3.1. General objective(s)

Ensuring high-quality, reliable and resilient connectivity for all, including in rural and remote areas, is essential for the EU to maintain its competitive edge and social standards. Achieving this requires reducing technological dependencies across the value chain. This main objective of the proposed intervention is deeply rooted in the main findings of the Draghi, Letta and Niinistö reports.

The EU's Digital Decade Policy Programme 2030 and AI Continent Strategy emphasize developing advanced digital network infrastructure to boost competitiveness and innovation in the European industry and digital economy. This infrastructural development is linked to improving market competitiveness, and it involves eliminating obstacles and creating a fair regulatory environment and facilitate cross-border services.

### 1.3.2. Specific objective(s)

#### Specific objective No 1

Support the deployment of satellite pan-European networks and innovative services in the MSS band.

This initiative aims to establish pan-European satellite authorisations in the MSS ensuring a unified framework for the selection of licensees, spectrum assignment and enforcement, thereby eliminating fragmentation and regulatory uncertainty. This will allow to fully exploit the Single Market, improve connectivity by promoting innovation, scale, and fair competition across the value chain, in the space sector, and ultimately, enhance EU industrial and scientific capabilities.

#### Specific objective No 2

Ensure Strategic and Secure Utilization of Mobile Satellite Spectrum and Services

Considering the evolving geopolitical context and security requirements with the global proliferation of satellite systems, there is a need to ensure that the selection of satellite operators entitled to use the limited spectrum resource allocated to mobile satellite services in the Union is done in a strategic and effective way. To improve Union's governmental satcom capacities, the selection process must safeguard the EU's interests concerning security, resilience, technological leadership, and digital sovereignty, while also supporting the EU's space policy aimed at fostering innovative and secure connectivity, EU economic security and global competitiveness.

### 1.3.3. *Expected result(s) and impact*

*Specify the effects which the proposal/initiative should have on the beneficiaries/groups targeted.*

Satellite operators: Benefit from effective solutions to harmful interference issues (ensures all players play by the rules thanks to the coordinated enforcement of satellite rules). Other benefits: faster market entry and ECN/ECS deployment, avoiding a reduction of revenues due to delays, greater consistency of regulatory conditions, innovative cross-border services e.g. B2B also New Space SMEs. Savings also linked to complying with one single set of authorisation conditions and limited loss of revenues due to possible delays in spectrum authorisation. Overall a digital single market for satellite could reduce costs by an estimated 60-80%, saving the operator at least EUR 10-15 million per year.

Consumers: Increased Consumer Surplus due to timely availability of New Space innovative services, reduced coverage gaps and reduced legal uncertainty (e.g. one-month EU-wide service interruption estimated to reduce consumer surplus in the order of tens of millions EUR, depending on service substitutability and affected user base). Improved benefits from pan-European D2D services, better capacity to communicate in case of major disasters and in case of emergency situations in underserved areas. More secure networks.

Administrations: Savings in a context of stable number of mobile satellite authorisation requests and would experience a net reduction of costs.

Governmental users will have access to improved capacities of secure and sovereign D2D systems to carry out their operations.

### 1.3.4. *Indicators of performance*

*Specify the indicators for monitoring progress and achievements.*

*Objective 1: Support the deployment of satellite pan-European networks and innovative services in the MSS band*

Number of providers using the cross-border general authorisation regime

Number of new EU mobile satellite authorisation licensees

Time to complete satellite authorisation requirements

Number of enforcement procedures successful in ending interference issues

Number of interference issues in the EU which have been timely and effectively addressed

Indicator: Average length of solving space interference complains in the EU

*Objective 2: Ensure Strategic and Secure Utilization of Satellite Spectrum and Service*

Number of Dual-use capabilities (civil-security synergy)

Interoperability with IRIS<sup>2</sup> framework

Number of critical space and ground components sourced from EU-based suppliers

Number of system components free from high-risk third-country dependencies

#### 1.4. The proposal/initiative relates to:

- a new action
- a new action following a pilot project / preparatory action<sup>39</sup>
- the extension of an existing action
- a merger or redirection of one or more actions towards another/a new action

#### 1.5. Grounds for the proposal/initiative

##### 1.5.1. Requirement(s) to be met in the short or long term including a detailed timeline for roll-out of the implementation of the initiative

The entry into force of the Regulation will be immediately after the publication in the Official Journal.

##### **Selection process**

A comparative selection process shall be organised by the Commission assisted by the Communications Committee, the Commission shall adopt the call for applications by an implementing act. The Commission may request applicants to supply additional information regarding the fulfilment of admissibility requirements within a specific time frame of between five and 20 working days. Within 40 working days following publication of admissibility requirements, the first selection phase shall begin, in which the Commission shall assess whether applicants have demonstrated the required level of technical and commercial development of their respective mobile satellite systems.

If the selection procedure does not conclude in the first selection phase due to too high spectrum demand, the Commission shall carry out the second selection phase, and on the basis of the report of the panel of external experts, if applicable, adopt a decision on the selection of eligible applicants taking into account their rank and available amount of 2 GHz MSS spectrum.

##### **Union authorisation of the 2GHz MSS band**

Within 12 months after the adoption of this legal instrument, the Commission will determine the amount of fees to be paid for the use of the 2GHz MSS band, based methodology adopted by a delegated act.

##### 1.5.2. Added value of EU involvement (it may result from different factors, e.g. coordination gains, legal certainty, greater effectiveness or complementarities). For the purposes of this section 'added value of EU involvement' is the value resulting from EU action, that is additional to the value that would have been otherwise created by Member States alone.

##### Reasons for action at EU level (ex-ante)

Strengthening European competitiveness depends on the availability of fast, secure and resilient digital infrastructure. The satellite connectivity landscape is evolving rapidly, driven by the convergence of terrestrial and satellite networks, increasing virtualisation, and the integration of artificial intelligence into network management and service delivery. In this dynamic environment, fragmented national approaches risk generating inconsistent regulatory conditions and burdensome administrative procedures, potentially deterring investment, slowing innovation, and undermining

<sup>39</sup> As referred to in Article 58(2), point (a) or (b) of the Financial Regulation.

the proper functioning of the Single Market. Past experience under Decision No 626/2008/EC demonstrated that divergent national authorisation practices and delays in implementation led to slower market uptake of mobile satellite services depriving European consumers from accessing innovative services. Given the inherently cross-border nature of satellite communications and the strategic importance of secure connectivity, action at Union level is necessary to establish a harmonised legal framework for mobile satellite communications, reduce administrative complexity, and ensure that emerging challenges are addressed in a coherent, efficient and timely manner across the EU.

Expected generated EU added value (ex-post)

EU action is expected to generate clear added value beyond what Member States could achieve individually. Acting at Union level would:

-Provide legal certainty and regulatory harmonisation across the EU, preventing fragmented national rules that could constrain cross-border services and limit the full potential of the Single Market.

-Accelerate the deployment of pan-European satellite networks by streamlining and aligning administrative procedures, thereby reducing regulatory complexity and time-to-market.

-Enhance overall effectiveness and efficiency by addressing common challenges at Union scale, rather than through uncoordinated national measures that risk duplication or inconsistency.

Taken all together, EU-level intervention is expected to deliver faster, more coherent and more cost-effective outcomes, generating benefits that would not materialise if Member States were to act independently.

1.5.3. *Lessons learned from similar experiences in the past*

The proposal is part of the DNA package and is informed by the practical experience in the implementation of the rules for the electronic communications sector and the MSS Decision No 626/2008 as detailed in the Staff Working Document accompanying the DNA Impact Assessment (Annex 11 - Evaluation of European Electronic Communications Code (EECC), BEREC Regulation, Radio Spectrum Policy Program (RSPP). The evaluation report of the current legal framework identifies a series of specific shortcomings in satellite authorisations and its monitoring. The proposal builds also on extensive stakeholder consultation according to the stakeholder consultation strategy as summarised in Annex 2 to the Staff Working Document and on the results of the targeted consultation on MSS conducted in June 2025.

1.5.4. *Compatibility with the multiannual financial framework and possible synergies with other appropriate instruments*

The proposal is compatible with the multiannual financial framework since the updated rules ensure the continuation of the regulatory framework for the electronic communications market and the continuous availability of the 2 GHz MSS band for MSS systems in the EU. It also supports the deployment Union's Infrastructure for Resilience, Interconnectivity and Security by satellite (IRIS<sup>2</sup>) designed to provide secure, resilient and high-performance communications services for the Union and its Member States, while also enabling commercial broadband services.

The proposal would build upon, and ensure coordination with, the structures and mechanisms developed in the context of the Digital Networks Act (DNA) proposal SEC (2026) 14 Final, notably it will generate additional revenues to support the proper functioning of its modernised and decentralised agency, the Office for Digital Networks (ODN).

The proposal is also compatible with currently negotiated proposal for a regulation on the safety, resilience and sustainability of space activities in the Union (SEC(2025) 335 final (Space Act) and Digital Omnibus proposal (proposal amending Regulations (EU) 2016/679, (EU) 2018/1724, (EU) 2018/1725, (EU) 2023/2854 and Directives 2002/58/EC, (EU) 2022/2555 and (EU) 2022/2557 as regards the simplification of the digital legislative framework, and repealing Regulations (EU) 2018/1807, (EU) 2019/1150, (EU) 2022/868, and Directive (EU) 2019/1024.

*1.5.5. Assessment of the different available financing options, including scope for redeployment*

The management of the action areas assigned to the Commission remains aligned with its mandate, but the growing scope of satellite-related measures will require additional expertise. The increasing technical and operational complexity of satellite-related selection and authorisation procedures, including oversight and coordinated enforcement of ITU principles, demands specialists with advanced knowledge of spectrum management, monitoring technologies, satellites and international coordination mechanisms. New responsibilities reinforced economic, technical and regulatory capacities. In addition, expertise in authorisation schemes and related procedures and rules including in national security will be required. Overall, the scale, sensitivity, and cross-border nature of these new satellite communications tasks necessitate the recruitment of dedicated experts to ensure effective implementation and coherence across the Union.

Synergies will also be developed with internal technical structures of the Member States, particularly on the monitoring of MSS satellite authorisations.

**1.6. DURATION OF THE PROPOSAL/INITIATIVE AND OF ITS FINANCIAL IMPACT**

- limited duration
- in effect from [DD/MM]YYYY to [DD/MM]YYYY
- financial impact from YYYY to YYYY for commitment appropriations and from YYYY to YYYY for payment appropriations.
- unlimited duration
- Implementation with a start-up period from YYYY to YYYY,
- followed by full-scale operation.

**1.7. METHOD(S) OF BUDGET IMPLEMENTATION PLANNED**

- Direct management** by the Commission
- by its departments, including by its staff in the Union delegations;
- by the executive agencies
- Shared management** with the Member States

**Indirect management** by entrusting budget implementation tasks to:

- third countries or the bodies they have designated
- international organisations and their agencies (to be specified)
- the European Investment Bank and the European Investment Fund
- bodies referred to in Articles 70 and 71 of the Financial Regulation
- public law bodies
- bodies governed by private law with a public service mission to the extent that they are provided with adequate financial guarantees
- bodies governed by the private law of a Member State that are entrusted with the implementation of a public-private partnership and that are provided with adequate financial guarantees
- bodies or persons entrusted with the implementation of specific actions in the common foreign and security policy pursuant to Title V of the Treaty on European Union, and identified in the relevant basic act
- bodies established in a Member State, governed by the private law of a Member State or Union law and eligible to be entrusted, in accordance with sector-specific rules, with the implementation of Union funds or budgetary guarantees, to the extent that such bodies are controlled by public law bodies or by bodies governed by private law with a public service mission, and are provided with adequate financial guarantees in the form of joint and several liability by the controlling bodies or equivalent financial guarantees and which may be, for each action, limited to the maximum amount of the Union support.

Comments

|  |
|--|
| <p>For the Commission direct management is foreseen and in case of the new Office for Digital Networks it will contribute to the MSS Regulation implementation once it will be established by the DNA, the budget implementation method is indirect management according to the Articles 70 of the Financial Regulation.</p> |
|--|

## 2. MANAGEMENT MEASURES

### 2.1. Monitoring and reporting rules

To support a consistent implementation and effective monitoring of the Regulation, the Commission should, together with the Member States, take appropriate measures with a view to ensuring effective monitoring and enforcement of the Union authorisations. Monitoring arrangements will be adopted by means of implementing acts to evaluate the provision of services and efficient use of spectrum and should rely both on national capacities and the cooperation with the European Space Agency.

Union authorisation conditions for the provision of secure and commercial MSS systems include the submission of an annual report to the Commission and the Committee, which details detailing the status of development of these systems.

### 2.2. Management and control system(s)

#### 2.2.1. *Justification of the budget implementation method(s), the funding implementation mechanism(s), the payment modalities and the control strategy proposed*

The Regulation establishes a new policy framework for harmonised rules governing the provision of mobile satellite services in the 2 GHz MSS band, while supporting the Union's policy objectives of security and resilience, and industrial competitiveness. The MSS Regulation aims to simplify and improve coordination of the MSS regulatory framework, enabling providers to operate and innovate more effectively in the Single Market. These objectives necessitate reinforced EU-level coordination and operational capacity, which in turn require targeted and proportionate budgetary resources.

The MSS Regulation and DNA rules require a strengthened consistency mechanism for the cross-border application of obligations. This necessitates an enhanced governance of electronic communications in the Union able to provide administrative, technical and analytical support to national regulatory authorities and EU institutions, with the objective of ensuring uniform application of Union law and alignment with EU-level policy objectives.

In order to carry out the new MSS tasks, additional human resources are required. The implementation and enforcement of the MSS Regulation is estimated to require 5 additional FTEs for the Commission and once the Office for Digital Networks (ODN) will be established by the DNA it will also benefit from the additional support from the ODN, e.g. for the collection of annual fees. These annual fees will also finance the increased cost of the ODN (see DNA LFDS). The proposed staffing levels are directly linked to the volume and complexity of the new responsibilities and reflect the most cost-efficient option, avoiding duplication at national level and reducing administrative burden for market participants.

Payments will follow standard EU budgetary procedures, including commitments and payments made on an annual basis, in accordance with the Financial Regulation and within the ceilings of the applicable Multiannual Financial Framework supported by the annual contributions from the fees covering the costs from the additional tasks including long term costs. Expenditure will be subject to the Commission's internal control framework, including ex ante checks, ex post audits, performance monitoring

and reporting. This control strategy ensures sound financial management, legality and regularity of expenditure, and effective use of Union funds.

2.2.2. *Information concerning the risks identified and the internal control system(s) set up to mitigate them*

The fees to be collected from undertakings as proposed by this initiative will be initially collected by the Commission while the collection of fees function might be transferred to the ODN once it will be established by the DNA. The DNA provisions on the governance provide a comprehensive organisational, financial and accountability framework for the ODN as a Union body supporting both BEREC and the RSPB. The DNA sets out the ODN's tasks, governance structure, programming, budgetary and staffing rules, and ensures transparency, sound financial management and effective oversight, including anti-fraud, audit and evaluation mechanisms.

2.2.3. *Estimation and justification of the cost-effectiveness of the controls (ratio between the control costs and the value of the related funds managed), and assessment of the expected levels of risk of error (at payment & at closure)*

For the meeting expenditure regarding the Communications Committee (COCOM) and the Radio Spectrum Policy Group. Given the low value per transaction (e.g. refunding travel costs for a delegate for a meeting, catering costs), standard control procedures seem sufficient.

The costs of RSPB which will substitute based on the DNA proposal the current RSPG (and its sub-groups) will be taken over by the ODN, which will provide administrative support to the RSPB. Regarding the operative and operational costs of the ODN an internal control system is in place according to organisational, financial and accountability framework of DNA (Part VII Governance).

2.3. **Measures to prevent fraud and irregularities**

The existing fraud prevention measures applicable to the Commission will cover the additional appropriations necessary for this Regulation.

### 3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

This LFDS and in particular its section 3.3 on impacts on revenues is to be read in combination and as a complement to the DNA LFDS.

#### 3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

- Existing budget lines

In order of multiannual financial framework headings and budget lines.

| Heading of multiannual financial framework | Budget line                                       | Type of expenditure          | Contribution                      |   |                            |                        |
|--|---|------------------------------|-----------------------------------|---|----------------------------|------------------------|
|  | Number  | Diff./Non-diff <sup>40</sup> | from EFTA countries <sup>41</sup> | from candidate countries and potential candidates <sup>42</sup> | From other third countries | other assigned revenue |
|  | Fee revenue/spectrum contribution [XX.YY.YY.YY]   | Diff./Non-diff.              | NO                                | NO  | NO                         | NO                     |
|  | Electronic Communication (prérogative)X.YY.YY.YY] | Diff./Non-diff.              | YES                               | NO  | NO                         | NO                     |

<sup>40</sup> Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.

<sup>41</sup> EFTA: European Free Trade Association.

<sup>42</sup> Candidate countries and, where applicable, potential candidates from the Western Balkans.

### 3.2. Estimated financial impact of the proposal on appropriations

#### 3.2.1. Summary of estimated impact on operational appropriations

- The proposal/initiative does not require the use of operational appropriations
- The proposal/initiative requires the use of operational appropriations, as explained below

##### 3.2.1.1. Appropriations from voted budget

EUR million (to three decimal places)

| Heading of multiannual financial framework   |             |          | Number       |              |      |      |      |      |      | TOTAL<br>MFF<br>2028-<br>2034 |
|--|-------------|----------|--------------|--------------|------|------|------|------|------|-------------------------------|
| DG: CNECT  |             |          | Year         | Year         | Year | Year | Year | Year | Year |                               |
|  |             |          | 2028         | 2029         | 2030 | 2031 | 2032 | 2033 | 2034 |                               |
| Operational appropriations <sup>43</sup> < eCOMM>  |             |          |              |              |      |      |      |      |      |                               |
| Budget line  | Commitments | (1a)     | 0.300        |              |      |      |      |      |      | 0.300                         |
|  | Payments    | (2a)     |              | 0.300        |      |      |      |      |      | 0.300                         |
| Budget line  | Commitments | (1b)     |              |              |      |      |      |      |      | 0                             |
|  | Payments    | (2b)     |              |              |      |      |      |      |      | 0                             |
| Appropriations of an administrative nature financed from the envelope of specific programmes <sup>44</sup> |             |          |              |              |      |      |      |      |      |                               |
| Budget line  |             | (3)      |              |              |      |      |      |      |      |                               |
| <b>TOTAL<br/>appropriations<br/>for DG CNECT</b>   | Commitments | =1a+1b+3 | <b>0.300</b> |              |      |      |      |      |      | <b>0.300</b>                  |
|  | Payments    | =2a+2b+3 |              | <b>0.300</b> |      |      |      |      |      | <b>0.300</b>                  |

<sup>43</sup> eComm.

<sup>44</sup> Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

|  |             |      | Year         | Year         | Year | Year | Year | Year | Year | TOTAL<br>MFF 2028-<br>2034 |
|--|-------------|------|--------------|--------------|------|------|------|------|------|----------------------------|
|  |             |      | 2028         | 2029         | 2030 | 2031 | 2032 | 2033 | 2034 |                            |
|  |             |      |              |              |      |      |      |      |      |                            |
|  |             |      |              |              |      |      |      |      |      |                            |
|  |             |      |              |              |      |      |      |      |      |                            |
| <b>TOTAL appropriations under HEADING of the multiannual financial framework</b> | Commitments | =4+6 | <b>0.300</b> |              |      |      |      |      |      | <b>0.300</b>               |
|  | Payments    | =5+6 |              | <b>0.300</b> |      |      |      |      |      | <b>0.300</b>               |

|   |   |  |
|---|---|--|
| <b>Heading of multiannual financial framework</b> | 4 | 'Administrative expenditure' <sup>45</sup> |
|---|---|--|

| DG: <CNECT >                       |                | Year         | Year         | Year         | Year         | Year         | Year         | Year         | TOTAL<br>MFF<br>2028-2034 |
|------------------------------------|----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------------------|
|                                    |                | 2028         | 2029         | 2030         | 2031         | 2032         | 2033         | 2034         |                           |
| • Human resources                  |                | 1.479        | 1.479        | 1.479        | 1.479        | 1.479        | 1.479        | 1.479        | <b>10.353</b>             |
| • Other administrative expenditure |                | 0.062        | 0.062        | 0.021        | 0.021        | 0.021        | 0.021        | 0.021        | <b>0.229</b>              |
| <b>TOTAL DG &lt;CNECT&gt;</b>      | Appropriations | <b>1.541</b> | <b>1.541</b> | <b>1.500</b> | <b>1.500</b> | <b>1.500</b> | <b>1.500</b> | <b>1.500</b> | <b>10.582</b>             |

<sup>45</sup> The necessary appropriations should be determined using the annual average cost figures available on the appropriate BUDGpedia webpage.

|  |                                      |              |              |              |              |              |              |              |               |
|--|--------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| <b>TOTAL appropriations under HEADING 4 of the multiannual financial framework</b> | (Total commitments = Total payments) | <b>1.541</b> | <b>1.541</b> | <b>1.500</b> | <b>1.500</b> | <b>1.500</b> | <b>1.500</b> | <b>1.500</b> | <b>10.582</b> |
|--|--------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|

|  |             | Year<br>2028 | Year<br>2029 | Year<br>2030 | Year<br>2031 | Year<br>2032 | Year<br>2033 | Year<br>2034 | <b>TOTAL<br/>MFF 2028-<br/>2034</b> |
|--|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------------------------------|
| <b>TOTAL appropriations under HEADINGS 1 to 4 of the multiannual financial framework</b> | Commitments | <b>1.541</b> | <b>1.541</b> | <b>1.500</b> | <b>1.500</b> | <b>1.500</b> | <b>1.500</b> | <b>1.500</b> | <b>10.582</b>                       |
|  | Payments    |              |              |              |              |              |              |              |                                     |

### 3.2.3. Summary of estimated impact on administrative appropriations

- The proposal/initiative does not require the use of appropriations of an administrative nature
- The proposal/initiative requires the use of appropriations of an administrative nature, as explained below

#### 3.2.3.1. Appropriations from voted budget

| VOTED APPROPRIATIONS                          | Year         | Year         | Year         | Year         | Year         | Year         | Year         | TOTAL 2028 - 2034 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------------|
|   | 2028         | 2029         | 2030         | 2031         | 2032         | 2033         | 2034         |                   |
| <b>HEADING 4</b>                              |              |              |              |              |              |              |              |                   |
| Human resources                               | 1.479        | 1.479        | 1.479        | 1.479        | 1.479        | 1.479        | 1.479        | 10.353            |
| Other administrative expenditure              | 0.062        | 0.062        | 0.021        | 0.021        | 0.021        | 0.021        | 0.021        | 0.229             |
| <b>Subtotal HEADING 4</b>                     | <b>1.541</b> | <b>1.541</b> | <b>1.500</b> | <b>1.500</b> | <b>1.500</b> | <b>1.500</b> | <b>1.500</b> | <b>10.582</b>     |
|   |              |              |              |              |              |              |              |                   |
| Human resources                               | 0.000        | 0.000        | 0.000        | 0.000        | 0.000        | 0.000        | 0.000        | 0.000             |
| Other expenditure of an administrative nature | 0.000        | 0.000        | 0.000        | 0.000        | 0.000        | 0.000        | 0.000        | 0.000             |
| <b>Subtotal outside HEADING 4</b>             | <b>0.000</b> | <b>0.000</b> | <b>0.000</b> | <b>0.000</b> | <b>0.000</b> | <b>0.000</b> | <b>0.000</b> | <b>0.000</b>      |
|   |              |              |              |              |              |              |              |                   |
| <b>TOTAL</b>                                  | <b>1.541</b> | <b>1.541</b> | <b>1.500</b> | <b>1.500</b> | <b>1.500</b> | <b>1.500</b> | <b>1.500</b> | <b>10.582</b>     |

The estimated impact on expenditure and staffing for 2028 and beyond is added for illustrative purposes only and does not pre-judge the next Multiannual Financial Framework. The source of financing and scope of Union financial commitment in the post-2027 period remain subject to the outcome of interinstitutional negotiations on the MFF 2028-2034 and thereafter shall be determined through the annual budgetary procedure. All appropriations and staffing allocations as of 2028 are indicative.

### 3.2.4. Estimated requirements of human resources

- The proposal/initiative does not require the use of human resources
- The proposal/initiative requires the use of human resources, as explained below

#### 3.2.4.1. Financed from voted budget

*Estimate to be expressed in full-time equivalent units (FTEs)*

| VOTED APPROPRIATIONS   | Year | Year | Year | Year | Year | Year | Year |
|--|------|------|------|------|------|------|------|
|  | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
| <b>• Establishment plan posts (officials and temporary staff)</b>  |      |      |      |      |      |      |      |
| 20 01 02 01 (Headquarters and Commission's Representation Offices) | 6    | 6    | 6    | 6    | 6    | 6    | 6    |
| 20 01 02 03 (EU Delegations)                                       | 0    | 0    | 0    | 0    | 0    | 0    | 0    |
| (Indirect research)  | 0    | 0    | 0    | 0    | 0    | 0    | 0    |
| (Direct research)  | 0    | 0    | 0    | 0    | 0    | 0    | 0    |
| Other budget lines (specify)                                       | 0    | 0    | 0    | 0    | 0    | 0    | 0    |
| <b>• External staff (inFTEs)</b>                                   |      |      |      |      |      |      |      |
| 20 02 01 (AC, END from the 'global envelope')                      | 3    | 3    | 3    | 3    | 3    | 3    | 3    |

|  |                     |          |          |          |          |          |          |          |
|--|---------------------|----------|----------|----------|----------|----------|----------|----------|
| 20 02 03 (AC, AL, END and JPD in the EU Delegations) |                     | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| Admin. Support line<br>[XX.01.YY.YY]                 | - at Headquarters   | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
|  | - in EU Delegations | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| (AC, END - Indirect research)                        |                     | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| (AC, END - Direct research)                          |                     | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| Other budget lines (specify) - Heading 4             |                     | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| Other budget lines (specify) - Outside Heading 4     |                     | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| <b>TOTAL</b>   |                     | <b>9</b> | <b>9</b> | <b>9</b> | <b>9</b> | <b>9</b> | <b>9</b> | <b>9</b> |

The staff required to implement the proposal (in FTEs):

|                                | To be covered by current staff available in the Commission services | Exceptional additional staff*              |                             |                          |
|--------------------------------|---|--|-----------------------------|--------------------------|
|                                |   | To be financed under Heading 4 or Research | To be financed from BA line | To be financed from fees |
| Establishment plan posts       | 3   | 3  | N/A                         |                          |
| External staff (CA, SNEs, INT) | 1   | 2  |                             |                          |

Overall, 4 FTEs requested for the initiative are already in place within the DG CNECT and will be redeployed, consisting of 3 establishment plan posts and 1 external staff (CAs and SNEs). In addition to these existing resources, the initiative requires 5 FTEs of exceptional additional staff [3 officials and 2 external staff – CAs or SNEs], which are requested on top of the current staffing levels in order to ensure full and effective implementation of the initiative.

The new tasks introduced by the MSS proposal —cannot be fully absorbed by the DG CNECT existing human resources.

The leading unit for spectrum and satellite matters in charge of these areas is very small and already manages a broad portfolio of technically complex and time-sensitive files related to all aspects of EU spectrum policy. Internal assessments show that the unit has no capacity to take on additional responsibilities without compromising core ongoing work or diminishing the quality and timeliness of EU-level spectrum and satellite policy coordination. Other units do not have surplus staff, nor do they possess the specialised technical expertise necessary to work effectively on satellite communications, advanced spectrum engineering, interference management, or the emerging satellite-to-device ecosystem. These are highly innovative and technically demanding areas where generalist profiles or staff redeployed from unrelated policy fields cannot substitute for dedicated experts. The tasks foreseen in the proposal require deep, domain-specific knowledge and continuous engagement with national

authorities, industry and international bodies. Given the combination of a very small existing team, the high workload already borne—including the one-person RSPG secretariat—and the specialised nature of satellite and spectrum work, additional dedicated posts are indispensable for the Commission to fulfil the new responsibilities assigned under the proposal.

The type of staff is specified in the table above. The staff figures and appropriations requested should be considered indicative and cannot prejudice the outcome of the ongoing negotiations on the future multiannual financial framework.

|                               |  |
|-------------------------------|--|
| Officials and temporary staff | <p>New tasks:</p> <p>Organise and implement the selection procedure for the 2GHz MSS band, with the determination of the call for applicants and the definition of delegated and implementing acts (i.e. call for applicants, determination of cost methodology for annual fees in the 2 GHz MSS band, implementation of one-off contribution mechanism)</p> <ul style="list-style-type: none"> <li>– Manage and organize several additional meetings of COCOM and MSS COCOM subgroup to discuss and approve implemented acts envisaged in the MSS Regulation.</li> <li>– Granting Union authorisation in the 2 GHz MSS band, including the space and ground components.</li> <li>– Collection of fees in the 2 GHz MSS band</li> <li>– Supervision and enforcement of compliance with conditions applicable to Union authorisation for the use of the 2 GHz MSS band</li> <li>– Lead a coordinated enforcement of Union authorisation, including harmful interferences and breaches of ITU radio regulations</li> </ul> |
| External staff                | <p>New tasks:</p> <p>Organise and implement the selection procedure for the 2GHz MSS band, with the determination of the call for applicants and the definition of delegated and implementing acts (i.e. call for applicants, determination of cost methodology for annual fees in the 2 GHz MSS band, implementation of one-off contribution mechanism).</p> <ul style="list-style-type: none"> <li>– Manage and organize several additional meetings of COCOM and MSS COCOM subgroup to discuss and approve implemented acts envisaged in the MSS Regulation.</li> <li>– Granting Union authorisation in the 2 GHz MSS band, including the space and ground components.</li> <li>– Collection of fees in the 2 GHz MSS band.</li> <li>– Supervision and enforcement of compliance with conditions applicable to Union authorisation for the use of the 2 GHz MSS band.</li> </ul> <p>Lead a coordinated enforcement of Union authorisation, including harmful interferences and breaches of ITU radio regulations.</p> |

3.2.5. Overview of estimated impact on digital technology-related investments

| TOTAL Digital and IT appropriations | Year 2028 | Year 2029 | Year 2030 | Year 2031 | Year 2032 | Year 2033 | Year 2034 | TOTAL MFF 2028 - 2034 |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------------------|
| <b>HEADING 4</b>                    |           |           |           |           |           |           |           |                       |
| IT expenditure (corporate)          | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0                     |
| Subtotal HEADING 4                  | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0                     |

| Outside HEADING 4                               |          |          |          |          |          |          |          |          |
|---|----------|----------|----------|----------|----------|----------|----------|----------|
| Policy IT expenditure on operational programmes | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| <b>Subtotal outside HEADING 4</b>               | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> |
|   |          |          |          |          |          |          |          |          |
| <b>TOTAL</b>                                    | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> |

### 3.2.6. Compatibility with the current multiannual financial framework

The proposal/initiative:

- can be fully financed through redeployment within the relevant heading of the multiannual financial framework (MFF)
- requires use of the unallocated margin under the relevant heading of the MFF and/or use of the special instruments as defined in the MFF Regulation

In addition to the existing resources in the Commission/DG CNECT, the initiative requires 5 FTEs of exceptional additional staff (3 officials and 2 external staff – CAs or SNEs), which are requested in order to ensure full and effective implementation of the initiative.

- requires a revision of the MFF

### 3.2.7. Third-party contributions

The proposal/initiative:

- does not provide for co-financing by third parties
- provides for the co-financing by third parties estimated below:

Appropriations in EUR million (to three decimal places)

|   | Year<br>2028 | Year<br>2029 | Year<br>2030 | Year<br>2031 | Year<br>2032 | Year<br>2033 | Year<br>2034 | Total    |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------|
| Third countries voluntary contributions | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0        |
| <b>TOTAL appropriations co-financed</b> | <b>0</b>     | <b>0</b>     | <b>0</b>     | <b>0</b>     | <b>0</b>     | <b>0</b>     | <b>0</b>     | <b>0</b> |

### 3.2.8. Estimated human resources and the use of appropriations required in a decentralised agency

No additional staff in decentralised agency is required under this initiative.

|  |     |
|--|-----|
|  | 1.. |
|  | .   |

### 3.3. Estimated impact on revenue

- The proposal/initiative has no financial impact on revenue.
- The proposal/initiative has the following financial impact:
- on own resources
- on other revenue
- please indicate, if the revenue is assigned to expenditure lines

EUR million (to three decimal places)

| Budget revenue line:  | Appropriations available for the current financial year | Impact of the proposal/initiative |  |  |  |  |  |  |
|---|---|-----------------------------------|--|--|--|--|--|--|
|   |   | Year 2028                         | Year 2029  | Year 2030  | Year 2031  | Year 2032  | Year 2033  | Year 2034  |
| <b>European annual MSS spectrum fee</b>                             |   | <b>0</b>                          | <b>Partial estimates of the amounts already included in the DNA LFDS</b> | <b>Partial estimates of the amounts already included in the DNA LFDS</b> | <b>Partial estimates of the amounts already included in the DNA LFDS</b> | <b>Partial estimates of the amounts already included in the DNA LFDS</b> | <b>Partial estimates of the amounts already included in the DNA LFDS</b> | <b>Partial estimates of the amounts already included in the DNA LFDS</b> |
| <b>European one-off MSS financial contribution (spectrum price)</b> |   | <b>0</b>                          | <b>TBC</b>   | <b>TBC</b>   | <b>TBC</b>   | <b>TBC</b>   | <b>TBC</b>   | <b>TBC</b>   |

The European annual MSS spectrum fee is established to contribute to the efficient use of spectrum, shall reflect the value of the ongoing right of use of spectrum and shall cover at least costs related to management, control and enforcement of the general authorisation for provision of MSS services and networks and costs related to the spectrum procedures and authorisation measures at Union level, including the cost of defining authorisation conditions and of monitoring its compliance including costs sustained by any Union Body supporting the Commission in spectrum management.

The annual MSS spectrum fee would cover as well the additional expenditures of the new ODN office if and once established as indicated in the DNA LFDS while the current budget expenditure line of the BEREC office will be replaced by the ODN office, as clarified in the DNA LFDS.

The annual fee shall apply to the selected operators holders of rights of use of the 2 GHz MSS band. The Commission shall specify in a delegated act the methodology for setting the minimum levels of the one-off financial contribution and the amount of annual fees, as well as other details related to the establishment, collection, assignment and, if needed, management of funds.

The Commission or any Union body supporting the Commission in spectrum management shall collect the annual fees as set out by one or more decisions that may be addressed to the selected holders. The revenues generated by the annual fees shall constitute external assigned revenue in accordance with Article 21(5) of Regulation (EU, Euratom) 2024/2509. Those revenues shall be assigned to cover the administrative costs related to the spectrum procedures and authorisation measures at Union level, including monitoring and compliance. Any revenue remaining after covering these costs shall be assigned to the Union budget.

The one-off MSS financial contribution (spectrum price) is established to contribute to the efficient allocation of the scarce spectrum for the provision of MSS systems and is reflecting the applicant willingness to pay, therefore reflects the value of the right for the specific applicant. The one-off financial contribution will be paid by successful applicants based on their bid during the selection procedure (e.g. the contribution would be one selection criterion in the framework of a comparative selection procedure). The contribution will be equal to the amount each selected applicant committed to paying in their application. The Commission may allow that the payment of the one-off financial contribution is made in periodic instalments.

The Commission may set by implementing act a minimal level of the one-off financial contribution in order to ensure the efficient allocation of the 2 GHz MSS band as well as effective investment and deployment of MSS systems and services, which the applicants shall take into account when lodging their applications. The minimum level of the contribution may be different for the spectrum for commercial MSS systems and for the secure MSS hybrid system and might be set at zero.

The Commission shall collect the one-off financial contributions by the decision that may be addressed to the selected applicants. Its total amount shall be allocated to support the objectives of digital leadership under Regulation (EU) [ref] establishing the European Competitiveness Fund[footnote], or its successors. The one-off financial contribution shall constitute external assigned revenue in accordance with Article [5(1)] of Regulation (EU) [XXX] of the European Parliament and of the Council establishing the European Competitiveness Fund and Article 21(5) of Regulation (EU, Euratom) 2024/2509.

Other remarks (e.g. method/formula used for calculating the impact on revenue or any other information).

As regards the European annual MSS spectrum fee, a delegated act will define the methodology to fix the amount and an implementing decision will define the specific amount per spectrum block.

As regards the European one-off MSS financial contribution (spectrum price), the amount cannot be estimated in advance and depends on the bidding of companies with a possible minimal amount (reserve price) defined by the Commission in the delegated act (methodology) or in the call for applications. The minimum amount defined by the Commission can differ depending on the band (secure/hybrid or commercial networks).

The European one-off financial contribution (spectrum price) would be paid from 2029 onwards when the selection procedure would be conducted and spectrum assigned. Selected applicants will however have the right to pay, subject to Commission approval, the one-off contribution (spectrum price) in instalments.

#### 4. DIGITAL DIMENSIONS

##### 4.1. Requirements of digital relevance

*High-level description of the requirements of digital relevance and related categories (data, process digitalisation & automation, digital solutions and/or digital public services)*

| <b>Reference to the requirement</b> | <b>Requirement description</b>  | <b>Actors affected or concerned by the requirement</b> | <b>High-level Processes</b>   | <b>Categories</b> |
|-------------------------------------|---|--|---|-------------------|
| Article 5(2)                        | The call for applications and all decisions made by the Commission throughout the phases of the comparative selection procedure as well as the final selection of applicants shall be published in the OJ of the EU.                  | Commission   | Publish the call for applications.<br>Publish all decisions made by the Commission.   | Data              |
| Article 5(2)                        | Call for applications to be adopted in accordance with the advisory procedure   | Commission   | Adopt the call for applications   | Data              |
| Article 5(3)                        | Submit applications to the Commission.  | Applicants   | Submission of applications.   | Data              |
| Article5(4)                         | Request applicants to supply additional information about the fulfilment of admissibility requirements. Inform applicants whether their applications are considered as admissible or not and publish a list of admissible applicants. | Commission   | Request additional information.<br>Inform applicants about the admissibility of their applications.<br>Publish a list of admissible applicants. | Data              |
| Article 5(4)                        | Adopt a reasoned decision on non-admissibility or non-eligibility of  | Commission   | Adopt a reasoned decision.  | Data              |

|                                       |  |   |  |      |
|---------------------------------------|--|---|--|------|
|                                       | applications.  |   |  |      |
| Article 5(5)                          | Comply with eligibility requirements for the MSS systems.  | Commission                                    | Checking the compliance with admissibility requirements for MSS systems.                       | Data |
| Article 5(6)                          | Commission to rank eligible applicants   | Commission                                    |  | Data |
| Article 5(7),                         | Adopt a reasoned decision on non-admissibility or non-eligibility of applicants for the right of use of the 2 GHz MSS    | Commission.                                   | Adopt a reasoned decision.   | Data |
| Article 6(1)                          | Comply with admissibility requirements for secure hybrid/MSS systems.  | Applicants                                    | Checking the compliance with admissibility requirements for secure hybrid/MSS systems.         | Data |
| Article 6(2), Article 7 and Article 8 | Include statements and evidence concerning the 2 GHz MSS band requested and its effective use.                           | Applicants for the secure hybrid/ MSS system. | Include statements and evidence concerning the 2 GHz MSS band requested and its efficient use. | Data |
| Article 8(1)                          | Specify an amount of the one-off financial contribution for right of use for the 2 GHz MSS. Secure systems               | Applicants for secure MSS system.             | Specify the amount.  | Data |
| Article 8(2)                          | Adopt a reasoned decision on selecting the applicants for the right of use of the 2 GHz MSS band for secure MSS systems. | Commission                                    | Adopt a reasoned decision on selecting the applicants.   | Data |
| Article 12(1)                         | Rank eligible applicants based on selection criteria specified in the call for applications.                             | Commission                                    | Ranking of eligible applicants.  | Data |

|                   |  |  |   |      |
|-------------------|--|--|---|------|
| Article 12(2)     | Adopt a reasoned decision on selecting the highest-ranking applicants for commercial MSS systems.  | Commission   | Adopt implementing act  | Data |
| Article 13(1)     | Authorise the use of the 2 GHz MSS band by the selected applicant under Article 14(1) or Article 15(1).  | Commission   | Authorise the use of the 2 GHz MSS band by the selected applicant.    | Data |
| Article 14(11)    | Provide annual report detailing the status of development of their proposed system.  | Holder of the authorisation for the secure MSS/hybrid system granted under Article 13(1) | Provide an annual report.   | Data |
| Article 14(4k)    | Provide the security accreditation of satellite systems in accordance with Article 37 of Regulation (EU) 2021/696.                                     | Holder of the authorisation for the secure MSS/hybrid system granted under Article 11(1) | Provide security accreditation.                                       | Data |
| Article 12(3)     | Define efficient use of paired blocks of 5 MHz in the 2 GHz MSS band in detailed arrangements for monitoring set out in accordance with Article 14(3). | Commission   | Define efficient use of paired blocks of 5 MHz in the 2 GHz MSS band. | Data |
| Article 15(1) and | Provide an annual report detailing the status of development of their proposed system.   | Holders of the authorization for commercial MSS system granted under Article 13(1)       | Provide an annual report.   | Data |
| Article 14(1)     | Determine the duration of the right of use of the 2 GHz MSS band pursuant to Article 14(1) and 15(1).  | Commission   | Determine the duration of the right of use of the 2 GHz MSS band.     | Data |
| Article 14(4)     | Decision not to renew the rights of  | Commission   |   | Data |

|               |  |                         |  |      |
|---------------|--|-------------------------|--|------|
|               | use  |                         |  |      |
| Article 16(5) | Review of the annual and one-off fees for the use of the 2 GHz MSS band to accompany the decision of renewal   | Commission              | Review of the annual and one-off fees. | Data |
| Article 17(3) | Notify the intention to transfer or lease use of rights of commercial spectrum   | Holder of right         |  | Data |
| Article 17(4) | Authorize the transfer or lease of rights of use for commercial spectrum   | Commission              |  | Data |
| Article 17(6) | Notify to the Commission agreement to change control   | Holder of right         |  | Data |
| Article 17(6) | Possibility to withdraw right of use   | Commission              | Adopt implementing act                 | Data |
| Article 18(1) | Payment of one-off contributions   | Holder of rights of use |  | Data |
| Article 18(2) | Fix the minimal level of the one-off financial contribution  | Commission              | Adopt implementing act                 | Data |
| Article 18(3) | Collection of one-off contributions  | Commission              |  | Data |
| Article 18(4) | Collection of annual fees  | Commission              |  | Data |
| Article 18(5) | Via a delegated act, fix the methodology to determine the minimum levels of one-off contributions, annual fees. The delegated act to determine also the budgetary treatment of the revenue and | Commission              | Adopt Delegated act                    | Data |

|               |  |                               |                         |      |
|---------------|--|-------------------------------|-------------------------|------|
|               | expenditure.   |                               |                         |      |
| Article 18(6) | Via an implementing act, determine the level of annual fee and one-off financial contributions   | Commission                    | Adopt implementing act  | Data |
| Article 19(1) | Monitor the compliance of holders of Union authorisation for use of 2 GHz MSS band.              | Commission and Members States | Monitor the compliance. | Data |
| Article 20(2) | Take a decision to impose sharing conditions to enable testing and experimental use of the band. | Commission                    | Take a decision.        | Data |
| Article 21(5) | Notify a delegated act to the European Parliament and to the Council.                            | Commission                    | Notification            | Data |

## 4.2. Data

*High-level description of the data in scope*

| Type of data  | Reference to the requirement(s) | Standard and/or specification (if applicable) |
|---|---------------------------------|---|
| Publication of the call for applications and of all decisions made by the Commission throughout the phases of the comparative selection procedure and of the final selection of applicants in the OJ of the EU. | Article 4(4)                    | N/A   |
| Applications  | Article 5(3)                    | N/A   |
| Additional information about the fulfilment of admissibility requirements   | Article 5(4)                    | N/A   |
| Information on the admissibility of applications  | Article 5(4)                    | N/A   |

|  |   |  |
|--|---|--|
| Publication of the list of admissible applicants   | Article 5(4)                            | N/A  |
| Data on the applicants' compliance with admissibility requirements for the secure MSS/hybrid system                    | Article 6(1)                            | N/A  |
| Data on the applicants' compliance with admissibility requirements for the commercial MSS systems of Union new entrant | Article 9(1)                            | N/A  |
| Data on the applicants' compliance with admissibility requirements for other commercial MSS systems                    | Article 10(1)                           | N/A  |
| Implementing act   | Article 18(2) and (5)                   | In the required format.  |
| Delegated act  | Articles 18(5)                          | In the required format.  |
| Reasoned decisions   | Articles 5(7), 7(2), 8(2), 11(3), 12(2) | In the required format.  |
| Statements and evidence  | Article 9(2) and (4), 10(2) and (4)     | N/A  |
| Annual report detailing the status of development of their proposed system   | Articles 14(1)(l) and 15(1)(h)          | N/A  |
| Information on the security accreditation of satellite systems   | Article 7(1)(g)                         | In accordance with Article 37 of Regulation (EU) 2021/696.                 |
| EU Classified Information (EUCI)   | Article 14(1)(k)                        | To be protected in accordance with Article 43 of Regulation (EU) 2021/696. |
| Review of the annual and one-off fees for the use of the 2 GHz MSS band  | Article 16(5)                           | N/A  |
| Data from the monitoring of compliance of holders of Union authorisation for use of 2 GHz MSS band                     | Article 19(1)                           | N/A  |
| Decision to impose sharing conditions to enable testing and  | Article 20(2)                           | N/A  |

|   |               |     |
|---|---------------|-----|
| experimental use of the band.               |               |     |
| Notification of adoption of a delegated act | Article 21(5) | N/A |

### **Alignment with the European Data Strategy**

*Explanation of how the requirement(s) are aligned with the European Data Strategy*

This legislative initiative is in line with the use of privately-held data by government authorities (business-to-government – B2G) in order to ensure evidence-driven policy-making and policy decisions, in this case to establish a public selection procedure to select and authorise entities providing mobile satellite services using the 2 GHz band in the European Union.

### **Alignment with the once-only principle**

*Explanation of how the once-only principle has been considered and how the possibility to reuse existing data has been explored*

The ‘once-only principle’ is respected in this case so as to minimise administrative burden on companies operating in the Single Market that will participate in the selection procedure.

*Explanation of how newly created data is findable, accessible, interoperable and reusable, and meets high-quality standards*

The applicants in the selection procedure – companies intending to provide MSS at 2 GHz in the Single market should have available all data required by the Commission. Member States and the Commission shall ensure the protection of business confidential information.

### **4.3 Data flows**

*High-level description of the data flows*

| <b>Type of data</b>  | <b>Reference(s) to the requirement(s)</b> | <b>Actors who provide the data</b> | <b>Actors who receive the data</b> | <b>Trigger for the data exchange</b>     | <b>Frequency (if applicable)</b> |
|--|---|------------------------------------|------------------------------------|--|----------------------------------|
| Call for applications, decisions made throughout the phases of the comparative selection procedure and the final selection of applicants in the OJ of the EU | Article 4(6)                              | Commission                         | Applicants                         | EU-level comparative selection procedure | Once                             |

|   |              |            |            |  |                          |
|---|--------------|------------|------------|--|--------------------------|
| Applications  | Article 5(3) | Applicants | Commission | EU-level comparative selection procedure | Once                     |
| Additional information about the fulfilment of admissibility requirements                           | Article 5(4) | Applicants | Commission | EU-level comparative selection procedure | Upon request             |
| Information on the admissibility of applications  | Article 5(4) | Commission | Applicants | EU-level comparative selection procedure | Once                     |
| List of admissible applicants   | Article 5(4) | Commission | Applicants | EU-level comparative selection procedure | Once                     |
| Reasoned decision via implementing act  | Article 5(7) | Commission | Applicants | EU-level comparative selection procedure | Once                     |
| Data on the applicants' compliance with admissibility requirements for the secure MSS/hybrid system | Article 6(1) | Applicants | Commission | EU-level comparative selection procedure | Once                     |
| Delegated act   | Article 6(4) | Commission | Applicants | EU-level comparative selection procedure | Once (and if applicable) |
| Data on the applicants' compliance with admissibility requirements for the                          | Article 9(1) | Applicants | Commission | EU-level comparative selection procedure | Once                     |

|   |                                      |   |                |   |                          |
|---|--------------------------------------|---|----------------|---|--------------------------|
| commercial MSS systems  |                                      |   |                |   |                          |
| Data on the applicants' compliance with admissibility requirements for the commercial MSS systems | Article 10(1)                        | Applicants  | Commission     | EU-level comparative selection procedure                  | Once                     |
| Reasoned decisions via implementing acts  | Articles 7(2), 8(2), 11(2) and 12(2) | Commission  | Applicants     | Relevant step of EU-level comparative selection procedure | Once                     |
| Implementing act on conditions of general authorisation   | Article 13(5)                        | Commission  | Applicants     | Relevant step of EU-level comparative selection procedure | Once (and if applicable) |
| Implementing act related to setting contributions   | Article 18(2) and (6)                | Commission  | Applicants     | Relevant step of EU-level comparative selection procedure | Once (and if applicable) |
| Delegated act on methodology related to contributions   | Articles 18(5)                       | Commission  | Applicants     | Relevant step of EU-level comparative selection procedure | Once                     |
| Statements and evidence   | Article 9(2) and (4), 10(2) and (4)  | Applicants for the provision of commercial MSS system | Commission     | Relevant step of EU-level comparative selection procedure | Once                     |
| Annual report   | Articles                             | Holder of   | Commission and | EU-level  | Once                     |

|  |                       |   |  |  |           |
|--|-----------------------|---|--|--|-----------|
| detailing the status of development of their proposed system                                       | 14(1)(l) and 15(1)(h) | the authorisation for the secure MSS/hybrid system, granted under Article 13(1).<br><br>Holders of the authorisation for commercial MSS systems, granted under Article 13(1). | Communications Committee   | comparative selection procedure          |           |
| Information on the security accreditation of satellite systems                                     | Article 7(1)(g)       | Applicant for the spectrum for the secure MSS/hybrid system   | Commission   | EU-level comparative selection procedure | Once      |
| EU Classified Information (EUCI)   | Article 14(1)(k)      | Holder of the authorisation for secure MSS/hybrid system granted under Article 11(1)  | Commission   | EU-level comparative selection procedure | Once      |
| Data from the monitoring of compliance of holders of Union authorisation for use of 2 GHz MSS band | Article 19(1)         | Holders of Union authorisation for use of 2 GHz MSS band  | Commission and Member States, collaborating with the Communications Committee and the RSPG | EU-level comparative selection procedure | Permanent |

|  |               |            |                                 |   |                          |
|--|---------------|------------|---------------------------------|---|--------------------------|
| Decision to impose sharing conditions to enable testing and experimental use of the band | Article 20(2) | Commission | Incumbent rights holder(s)      | Need to impose sharing conditions to enable testing and experimental use of the band. | Once (and if applicable) |
| Notification of adoption of a delegated act  | Article 21(5) | Commission | European Parliament and Council | Adoption of a delegated act   | Once                     |

#### 4.4. Digital solutions

##### *High-level description of digital solutions*

| Digital solution | Reference(s) to the requirement(s) | Main mandated functionalities | Responsible body | How is accessibility catered for? | How is reusability considered? | Use of AI technologies (if applicable) |
|------------------|------------------------------------|-------------------------------|------------------|-----------------------------------|--------------------------------|--|
| N/A              |                                    |                               |                  |                                   |                                |  |

*For each digital solution, explanation of how the digital solution complies with applicable digital policies and legislative enactments*

| Digital and/or sectorial policy (when these are applicable)     | Explanation on how it aligns   |
|---|--|
| <i>Proposal for a Digital Networks Act (DNA)</i> <sup>[1]</sup> | The proposal for a DNA established coordinated, EU-level authorisations for satellite spectrum as well as its monitoring and enforcement, given the cross-border nature of satellite services. |
| <i>Proposal for EU Space Act</i> <sup>[2]</sup>                 | The proposal for the 2 GHz MSS Regulation complements measures proposed under the EU Space Act and DNA. The proposal for a DNA and the proposal for the 2 GHz MSS Regulation can               |

|  |  |
|--|--|
|  | therefore be seen as critical building blocks of the EU single market for space. |
|--|--|

<sup>[1]</sup> COM(2026) 16 final

<sup>[2]</sup> [https://defence-industry-space.ec.europa.eu/eu-space-act\\_en](https://defence-industry-space.ec.europa.eu/eu-space-act_en);  
<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52025PC0335>

#### 4.5. Interoperability assessment

*High-level description of the digital public service(s) affected by the requirements*

| Digital public service or category of digital public services | Description | Reference(s) to the requirement(s) | Interoperable Europe Solution(s)<br>(NOT APPLICABLE) | Other interoperability solution(s) |
|---|-------------|------------------------------------|--|------------------------------------|
| N/A   |             |                                    | //   |                                    |

*Impact of the requirement(s) as per digital public service on cross-border interoperability*

##### Digital public service #1

| Assessment   | Measure(s) | Potential remaining barriers (if applicable) |
|--|------------|--|
| Alignment with existing digital and sectorial policies<br>Please list the applicable digital and sectorial policies identified     | N/A        |  |
| Organisational measures for a smooth cross-border digital public services delivery<br>Please list the governance measures foreseen | N/A        |  |
| Measures taken to ensure a shared understanding of the data<br>Please list such measures   | N/A        |  |
| Use of commonly  | N/A        |  |

|   |  |  |
|---|--|--|
| <b>agreed open technical specifications and standards</b><br><br><b>Please list such measures</b> |  |  |
|---|--|--|

**4.6. Measures to support digital implementation**

*High-level description of measures supporting digital implementation*

| <b>Description of the measure</b> | <b>Reference(s) to the requirement(s)</b> | <b>Commission role</b><br>(if applicable) | <b>Actors to be involved</b><br>(if applicable) | <b>Expected timeline</b><br>(if applicable) |
|-----------------------------------|---|---|---|---|
| N/A                               |   |   |   |   |