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NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	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 - Presidency compromise text

I. INTRODUCTION

The Commission published its proposal on the Procedure for authorisation of systems providing mobile satellite services using the harmonised 2 GHz band on 27 May 2026. The WP TELECOM discussed the proposal so far on 4, 11 June and 2, 9 July.

The Commission also presented the proposal in the Workin Party on Space WP and has asked for the opinion of the Council Security Committee concerning EUCI.

Based on these discussions and the written comments received from the Delegations, the Presidency has prepared a new compromised text of the proposal and presents it in the Annex to this Note. The Presidency has applied several changes in the document, the most important ones of them are explained below.

Changes in the text are compared to doc. 9777/26, new additions are marked in **bold underlined**, deletions in ~~strikethrough underlined~~.

II. MAIN CHANGES IN THE RECITALS

Recital (1) The first change reflects that MSS plays an increasingly important role in supporting governmental, critical and defence communications. The second change provides a digital transformation policy perspective, where the 2 GHz band should be linked to national digital strategies, such as broadband plans, digitalisation of public administration, territorial cohesion objectives under the Digital Decade.

Recital (4) The first added sentence highlights the special nature of the 2 GHz MSS band which brings with it a distinct regulatory solution. The proposed addition introduces a reference to the elements of a satellite system, namely, space stations and earth stations reflecting their role in the provision of modern mobile satellite services.

Recital (6) and (6a) reflects on the reasons why the MSS selection procedure should be carried out at EU level, i.e. the regulatory, technical and economic specificities of the band.

Recital (6b) clarifies the *lex specialis* of the Regulation which is exclusively limited to the measures in the Regulation. It also confirms that it is different from the authorisation regime under Directive 2018/1972 and should be considered independent of discussions on the Digital Networks Act. It also clarifies that the Regulation does not affect the freedom of the Member States in areas related to national security and defence matters.

Recital (9) The deletion reflects that services to governmental users may not be provided by any provider without security consideration, especially about control. The addition specifies the requirements on the pan-European hybrid systems and clarifies the limitations on providers to provide secure government-authorized services.

Recital (10a) clarifies the selection procedures concerning single undertakings and joint ventures such as consortia. As a result of the mission-critical nature of the secure MSS/hybrid system, the Commission should have the discretion not to assign that portion of the 2 GHz MSS band despite an otherwise successful completion of the first or second selection phase. In case none of the applicants satisfies the criteria applicable as a Union new entrant, the selection procedure may be relaunched.

Recital (12) The addition ensures that the secure MSS/hybrid system not only provides secure services in densely populated areas, but also provides secure services in remote areas, where terrestrial infrastructure is limited or unavailable.

Recital (15a) This amendment aligns the proposed MSS Regulation with the EU's latest strategic defence initiatives.

Recital (16) The change highlights that geographical diversification of industrial, technological and operational activities is important for reducing the concentration of critical capabilities and strengthens the resilience of Union supply chains.

Recital (18) and (18a) The amendment clarifies the purpose of the complementary ground and airborne components, and the prohibition from implementing a hybrid element using the 2GHz band in the commercial systems.

Recital (19a) Explains what services are provided in the spectrum and the coordination with present and future Union policies relying on spectrum. Related to **Articles 14(1)(h) and 15(1)(b)**.

Recital (21) The addition clarifies the aim of setting a 50% threshold of the wholesale or retail markets as a limit to exclusive agreements as provided in Article **15(1)(h)**.

Recital (22a) A new recital is inserted to establish the legal and policy context in this Regulation for accessibility, mirroring the provision in **Article 13(5)(e)**.

Recital (23) The addition corresponds to **Article 3** reinforces the rights and obligations of the Member States in international spectrum coordination.

Recital (24) and (25) While the Presidency intends to keep the selection and authorisation of rights of use in the 2 GHz MSS band at EU level, the authorisation of other elements that use frequencies outside the 2 GHz remain a competence of the Member States.

Recital (26) The amendment clarifies that integration with IRIS² may include not only the use of existing IRIS² capabilities, but also the contribution of complementary service capabilities, including NB-IoT applications for critical infrastructure monitoring and resilience.

Recital (32) The addition clarifies the leaseability of the rights of use.

Recital (33) explains the partition of the Union level fees and spectrum management activities from those outside the 2 GHz MSS band. The link of the annual fees and the 2 GHz MSS spectrum is further elaborated in **Recital (38)**.

Recital (39) clarifies the methodology of setting, collecting and the aim of the annual fees and that any cost incurred at national level shall be recovered by competent authorities.

Recital (40) clarifies how the Commission and the Member States should cooperate in case of non-compliance and details the content of the monitoring agreements.

III. MAIN CHANGES IN THE ARTICLES

Article 1

New paragraph (4) clarifies that this Regulation is without prejudice to the actions taken by Member States for purposes of public order, public security and defence.

Article 2

Paragraph (1)(a)-(c): in the MSS definition, the preferred term is “earth station” as it clearly identifies the station type and is in line with the Radio Regulations.

Paragraph (2): “gateway earth station” identifies better the station type, and in line with the Radio Regulations.

New Paragraph (2a): a definition for the term "mobile earth station" is required, as this term appears in the definition of the Mobile Satellite Service (MSS) as a type of earth station.

Paragraph (4): a clarification is given to the definition of “complementary airborne components”.

Paragraph (5): The amendment ensures a reasonable and proportionate interpretation of the obligation.

Paragraph (10) clarifies that secure governmental communications services are provided through a secure MSS/hybrid system to entities that are entrusted with public functions. The examples of services for government-authorised users are deleted as they are addressed in Regulation (EU) 2023/588 establishing the Union Secure Connectivity Programme.

Paragraph (11): the term is aligned with that in paragraph (10).

Paragraph (13): the addition makes the definition more precise.

Paragraph (18) is deleted as the definition was circular.

Paragraph (19): the definition is clarified with a reference to the EU Merger Regulation.

Article 3

The change in the **title** aims to avoid to suggest that international frequency coordination is not the responsibility of the Member States.

Paragraphs (1) and (2): The changes aim to reaffirm the role of the Member States in international aspects. The region of the Black Sea is added as an example besides the Arctic region.

Article 4

Paragraph (1): The role of the Member States in the selection process is reinforced by the changes. Should the Commission decide not to grant a rights of use, the decision shall take the form of an implementing act. Throughout the present compromise proposal, all implementing acts are subject to the examination procedure under Article 22(3) and COCOM will be involved at every stage of the procedure. Similar changes have been applied in **Articles 4(1), 5(2), 5(9) and (10), 7(3), 17(2), 17(4) and 19(1))**.

Article 5

Paragraph (5): The change contributes to a fair and non-discriminatory selection procedure, and should ensure that applicants have sufficient clarity on the elements to be taken into account during the assessment.

Paragraph (6): The new wording clarifies the condition for carrying out the second phase: it should take place where the procedure has not been completed after the first phase.

Paragraph (9): The decision to close the selection procedure without selecting an applicant can only be made via an implementing act.

Article 6

Paragraph (1)(c): this legal clarification is necessary as applicants can be subject to third country jurisdiction for numerous unrelated activities.

Paragraph (1)(e): Locating the command and control facilities within the Union enables the Commission and the Member States to effectively supervise compliance with Union law and, where necessary, take appropriate enforcement action. Similar changes have been applied in **Articles 9(1) new (fa) and 10(1)(g)**.

Paragraph (1)(f): the first change clarifies the required status of the filing in ITU. The second change aims to address the situation when demanding a completed filing at the initial admissibility stage could place Union new entrants at a disadvantage, therefore it allows applicants to submit evidence that a Member State has initiated the filing process or committed to doing so.

Paragraph (2) the changes clarify how points **(a) to (f) of Paragraph (1)** apply to joint ventures.

Article 7

Paragraph (1)(b): The first addition is a clarification, the second represents a new obligation in the first selection phase to reach full coverage no later than 10 years from the date of the commencement of the provision of the MSS.

Paragraph (1)(f): the change makes mandatory the requirement that all key components identified in the call are manufactured in the EU.

New Paragraph (1)(k): applicants for the right of use of the MSS band for the secure MSS/hybrid system should be able to demonstrate the ability to operate under conditions of intentional interference and limited availability of GNSS.

Article 8

Paragraph (1)(g)(i): this added value criterion should take into account both the development of trans-European industrial cooperation and the geographical diversification of industrial and technological activities across Member States.

Paragraph (1)(i): reflects that the services and their prices for governmental and commercial users are not necessarily comparable.

Paragraph (1) new (m): The maturity of the ITU filing is brought in as an element of the eligibility ranking.

Article 9

Paragraph (1) new (fa): The added new point is an alignment with **Article 6(1)(e)**.

Paragraph (g) is aligned with **Article 6(1)(f)**.

The change in **Paragraph (2)** ensures that the jurisdiction of the third country must also provide for enforcement mechanisms in the event of non-compliance with the Radio Regulations.

Changes in **Paragraph (3)** clarify how points of **Paragraph (1)** apply to joint ventures.

Article 10

Paragraph (1)(f) is aligned with **Articles 6(1)(f)** and **9(1)(g)**.

Paragraph (2) is aligned with **Article 9(2)**.

Paragraph (3) on joint ventures is aligned with **Article (9)(3)**.

Article 11

Paragraph (1)(b) clarifies the coverage requirements and adds the requirement of providing full coverage in 10 years from the commencement of the operation.

Paragraph (1)(f) new (3) reinforces the requirements with respect to the secure management of data generated by MSS services. Not even disaster recovery or data backup and restore operations can involve the processing, transmission or storage of data in regions outside the EU.

Article 12

Paragraph (1)(a)(iii) and (iv): In the second selection phase these coverage attributes can be taken into consideration.

Paragraph (1)(d)(i): The development of trans-European industrial cooperation and the geographical diversification of industrial and technological activities is also taken into account.

Paragraph (1) new (k): The maturity of the ITU filing is brought in as an element of the ranking.

New Paragraph (3) provides for the possibility to relaunch of the selection procedure if non of the applicants could pass the selection phase.

Article 13

Paragraph (1) reinforces the obligation for the Commission to involve the Member States in procedures related to the authorisation at EU level.

Paragraph (2): This paragraph has been made more general rather than specifying the elements in the MSS system.

Paragraph (2a): This paragraph sets up the method of cooperation between the Commission and the Member States concerning complementary ground and/or airborne components.

Paragraph (5)(e): A new paragraph is inserted to establish the legal and policy context in this Regulation for accessibility.

Paragraph (5a): This provision establishes a framework to ensure effective lawful interception and access to relevant data by Member State authorities,

Article 14

Paragraph (1)(h) adds the compliance with the Radio Regulations to the conditions for the use.

Paragraph (1)(m) adds the cooperation with the competent authorities of the Member States on spectrum related matters and compliance with the Radio Regulations to the conditions for the use.

A new second subparagraph provides for the way to ensure the integration of the secure MSS/hybrid system with the IRIS² system architecture.

Paragraph (2) provides for technical clarifications on the use of the spectrum 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.

Article 15

Paragraph (1)(b) clarifies that the ‘predominant portion’ requirement is to be understood at the level of each Member State.

Paragraph (1)(d) is aligned with the wording in **Article 14(1)(h)**.

Paragraph (1)(g) and (h): The wholesale access conditions are clarified.

Paragraph (1) new (j) reinforces the role of the Member States authorities in international frequency coordination.

Article 16

Paragraph (1): The decision on when a right of use starts shall take the form of an implementing act.

Paragraph (3): The renewal of the rights of use should be requested at least 7 years before expiry and can be awarded for no longer than the original duration.

Paragraph (4): The Commission, at least 5 years before expiry, must take one of the decisions listed in **points (a) to (c)** in the form of an implementing act. The substantiation of this decision should be based on the criteria listed in **Paragraph (4a)**.

Paragraph (5) clarifies that the renewal requires the payment of a one-off contribution.

Article 17

Changes in **Paragraphs (1)-(2a)** specify the conditions under which the rights of use of the 2 GHz MSS spectrum can be leased.

Paragraphs (3) and (4) provide for the details of the procedure under which the lease can be approved.

Paragraph (5) extends the original conditions of the use to the transferee or lessee.

Article 18

Paragraph (4): The annual fees should also include the costs of the monitoring and enforcement incurred by the NRAs.

Paragraph (5): The expenditure of the NRAs related to supporting the Commission in the management of the spectrum, are to be deducted from the annual fee revenues.

Paragraph (6): The delegated act should also set a method to cover the monitoring and enforcement costs by the NRAs.

Article 19

Paragraph (1): While the proposal establishes a Union-level monitoring mechanism, the practical implementation of spectrum management remains dependent on the technical expertise and statutory powers of national competent authorities. Without prejudice to their existing powers, the **new first sentence** obliges the Commission and the Member States to cooperate in monitoring and in taking appropriate measures in case of non-compliance. The arrangements for this cooperation and the cooperating bodies should be set out according to the **second part** of Paragraph (1).

Paragraph (2) sets out the procedure the Commission should follow in case of an alleged breach.

For clearer legal drafting, the order of **Paragraphs (3) and (4)** of the proposal has been reversed.

Paragraph (3) sets out the possible fines that should not exceed 5% of the total worldwide turnover of the authorisation holder.

Paragraph (4): The first amendment takes over the wording from the EECC. The addition in **sub-paragraph (b)**, adds an obligation for the Commission to consult Member States before resorting to the withdrawal of the authorisation.

The added sentence in **Paragraph (5)** exceptionally allows the Member States to delay applying the measure of the Commission by a renewable 6 months.

New Paragraph (6) provides the national competent authorities with a possibility to take urgent interim measures to remedy an urgent situation. The Commission must be involved and it should start the procedure under Paragraph (2) i.e. when the authorisation holder fails to comply with the spectrum authorisation conditions.

Article 20

Paragraph (1): The amendment clarifies that during the extension period, the incumbent rights are limited to the continued provision of services that have already been supplied for more than 5 years.

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)

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 Committee¹,

Having regard to the opinion of the Committee of the Regions²,

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 **or governmental** and **critical communications including** public protection and disaster relief **and defence**. 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 service³.

¹ OJ C , , p. .

² OJ C , , p. [...]

³ 5G Observatory: EU [scoreboard](#) 2025. See also: [5G indicators: coverage | Shaping Europe's digital future](#)

MSS systems, particularly when integrated with terrestrial 5G and future 6G networks, should be leveraged as part of national and Union digital policies to ensure ubiquitous connectivity for citizens, businesses and public administrations, including in rural, remote and maritime areas and for public services of general interest. 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/EC⁴ 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.
- (3) Decision No 626/2008/EC of the European Parliament and of the Council⁵ 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 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))

⁵ 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))

- (4) **The 2 GHz MSS band in the Union is distinguished by a unique combination of legacy regulatory conditions and technological deployments that directly affect its use as the**
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. **Such services rely on a single MSS system comprising space stations (satellites) and earth stations, understood as stations located on the Earth's surface or within the atmosphere.**

This **MSS system** 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 **such as** 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) **From a regulatory perspective, the 2 GHz MSS band is a unique band, as it is allocated globally to both mobile and mobile satellite services in the ITU Radio Regulations. It is the only band for which a selection procedure has been carried out at EU level and rights of use under certain common conditions have been assigned for the same period of time throughout the EU. Moreover, it is the only MSS band for which the Commission has so far adopted a technical harmonisation Decision.**

- (6a) At the same time, 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 and appropriate bandwidth. It is adjacent to terrestrial mobile bands, which makes it easier to develop chipsets for mobile devices that would support it. Such mobile devices are also designed to move freely and to be used across the entire EU. Furthermore, given its dual mobile and mobile satellite allocation, it is very well suited for 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 at the Union level 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. The aforementioned regulatory, technical and economic specificities of this band explain why the authorisation of this spectrum at Union level presents significant benefit as compared to authorisations granted at Member States' level. Union level authorisation of this band to operators, selected through an Union level selection procedure, under the same authorisation conditions, subject to centrally coordinated implementation and monitoring, would allow those operators to deploy D2D services seamlessly across the Union single market and would allow users of mobile handsets supporting this band to receive the services wherever they are located in the Union. This would ensure in particular ubiquitous Union coverage, including seamless coverage in border areas, thus overcoming the existing shortcomings of terrestrial networks.

- (6b) The scope of application of this Regulation should be limited to the 2 GHz MSS band in view of the regulatory, technical and economic particularities of this band and its history of Union-coordinated assignment. It should address both space and terrestrial use of the band by an MSS or a hybrid system and not cover any other band potentially used by the same space or terrestrial infrastructure. Accordingly, this Regulation which is limited to covering the MSS 2 GHz band should be without prejudice to the national authorisation regimes for satellite and radio spectrum, including those harmonised by Directive (EU) 2018/1972 or its successors. It should not affect national legislations related to other spectrum or prerogatives of national competent authorities, including the collection of fees, as regards other spectrum bands. Additionally, it should not affect the responsibilities of Member States in matters of national security and defence, in accordance with Article 4(2) TEU.**
- (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, 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 and in critical infrastructure 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 Defence⁶ recognises that space systems and services are vital to ~~the~~ society, ~~the~~ 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~~ **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.~~ **In particular, pan-European MSS and hybrid TN/NTN systems in the 2 GHz MSS band should support secure and resilient connectivity for governmental services, emergency response, civil protection and critical digital public services, including continuity of operations in case of major incidents affecting terrestrial 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 government-~~authorised~~ services **by organisations performing public functions and operating in the European Union or in its Member States.**
- (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.

⁶ Joint Communication to the European Parliament and the Council JOIN (2023)9 final

(10a) The procedure shall be open for single undertakings and for joint ventures such as consortia. The three distinct selection procedures should follow the same structure, comprising an admissibility phase followed by two selection phases, each of which should finish with an implementing Decision adopted with the assistance of the Communications Committee. Admissible applicants must satisfy all eligibility criteria in the first selection phase. Those applicants meeting the eligibility criteria should be further admitted to the second selection phase, where their applications should be assessed against more detailed selection criteria, the weighting of which should be established in the call for applications. Given the mission-critical nature of the secure MSS/hybrid system, the Commission should have the discretion not to assign the portion of the 2 GHz MSS band dedicated to that system despite a formally successful completion of the first or second selection phase. In that case the selection procedure for the secure MSS/hybrid system may be relaunched. Where none of the applicants satisfies the criteria applicable to the selection procedure for a Union new entrant, the selection procedure may be relaunched. To ensure that Member States are properly informed of the selection procedures and of the granting of the authorisations and any other related matters, the Commission should regularly update them of the overall progress of the selection and authorisation procedures, including by providing them, in a timely manner, information on the number and content of applications submitted for both the secure MSS/hybrid system and commercial MSS systems.

(710b) 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, 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 **and in critical infrastructure** 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.

- (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 quality⁷.
- (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. **This includes availability in remote or high latitude areas, where low population density and limited terrestrial infrastructure increase the importance of resilient satellite connectivity.** Furthermore, the secure and resilient MSS/hybrid system could be essential to implement the European Preparedness Union Strategy⁸, 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 **infrastructure investment for secure connectivity across the Union and dual-use by design, serving both commercial and governmental users, 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 **dual-use** system should be enabled to use any ~~available~~**unused** spectrum capacity, not ~~used~~**utilised** for the provision **of** secure governmental communications, ~~alternatively~~ for the provision of commercial services, under the condition that the priority of providing secure governmental communications is guaranteed.

⁷ 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>

⁸ 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.

- (13) The Union's Infrastructure for Resilience, Interconnectivity and Security by satellite ('IRIS²'), established by Regulation (EU) 2023/588 of the European Parliament and of the Council⁹, 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. IRIS² 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?'¹⁰, 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 IRIS², 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.

⁹ 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>)

¹⁰ White Paper 'How to master Europe's digital infrastructure needs?', 21. 2. 2024, COM(2024) 81 final.

(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 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.

(15a) The secure MSS/hybrid system should ensure early, resilient and measurable availability of secure governmental communication services and maintain a high level of operational capability under conditions of intentional interference and disruptions of terrestrial and submarine communication infrastructure as well as hybrid threats, recognising the Preparedness Union Strategy, the White Paper on European Defence – Readiness 2030, Regulation (EU) 2025/1106 and in European defence projects of common interest proposed under the European Defence Industry Programme.

(16) The European Economic Security Strategy¹¹ 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 operators. 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

¹¹ Joint Communication to the European Parliament, the European Council and the Council on “European Economic Security Strategy”, JOIN/2023/20 final

available for the provision of commercial MSS. Such diversification should also include a geographically balanced distribution of industrial, technological and operational activities across the Union and the development of trans-European industrial cooperation, in order to strengthen the resilience of Union supply chains.

- (17) In order to safeguard competition, there is a need to prevent ~~that~~ the spectrum available for commercial MSS isbeing 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 also be able to obtain, in addition to the two paired blocks of 5 MHz for the priority provision of secure governmental communications, ~~also~~ a maximum of two paired blocks of 5 MHz for the provision of commercial MSS.
- (18) Complementary ground and/or airborne components use the same portion of the 2 GHz MSS band as the space-based component of the MSS system and constitute an integral part of that system for the provision of electronic communication services under the control of its resource and network management core. These components should be deployed exceptionally in Union locations, where the availability of MSS could not be ensured with the required quality solely by space stations. The predominant reliance on complementary ground and/or airborne components could change the nature of the MSS system towards a terrestrial network, which contradicts the objectives of this Regulation and could adversely affect competition in mobile terrestrial networks. Therefore, a commercial MSS system in the 2 GHz MSS band should provide services using predominantly space-based components.

~~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.

(18a) 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 2 GHz MSS band for commercial hybrid systems should not be allowed.

(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 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.

(19a) Different Union policy areas, such as electronic communications, research, space, transport, energy, common security and defence, audiovisual and cultural policies rely on radio spectrum, through Union programmes, such as the Union Space Programme and satellite systems, including Galileo or Copernicus, thus enabling public services and applications to be developed and deployed in support of Union policies. Hence, the protection of Union's policies may require coordination of spectrum use with authorised systems under this Regulation with other satellite systems serving Union policies.

(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 access **to** 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 **data retention and** 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. **In order to safeguard effective competition and ensure an access to satellite capacity or spectrum for MSS operators at the retail level, an authorised undertaking for the provision of commercial MSS that has a market share of over 50% of the wholesale or retail market of a Member State, should not enter into exclusive agreements with providers of retail services in that Member State. Providers of retail services should therefore remain free to also contract with other operators, so as to ensure diversification and enhanced competition. On the contrary, providers which do not have a high market share should be free to conclude exclusive agreements and should not be constrained in their business choices.**
- (22) Directive (EU) 2018/1972 of the European Parliament and of the Council¹² 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.
- (22a) Mobile satellite services and services provided by hybrid systems authorised under this Regulation constitute electronic communications services within the meaning of Directive (EU) 2018/1972 and, where provided to consumers, fall within the scope of Directive (EU) 2019/882 on the accessibility requirements for products and services. In accordance with Article 111 of Directive (EU) 2018/1972, end-users with disabilities should enjoy equivalent access to and choice of such services.**

¹² 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>)

- (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 Opinions¹³, 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. **This Union-level cooperation should be without prejudice to the rights and obligations of Member States under the Constitution and the Convention of the International Telecommunication Union and under the ITU Radio Regulations, and in particular to the responsibilities of notifying administrations. It should neither prevent Member States and their national competent authorities from concluding bilateral or multilateral arrangements with third countries.**
- (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 and to provide for regulatory certainty needed to foster innovation, competition, and investment in particular, in the evolving D2D connectivity market, it is necessary** to bundle the selection and authorisation of holders of rights of use in the 2 GHz MSS band at the Union level.

¹³ 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).

- (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 the 2 GHz MSS band use in system deployment including complementary and airborne ground components, and service provision, while the authorisation and spectrum management of other components using frequencies outside 2GHz MSS band should remain within the competence of the Member States in accordance with Union law and the ITU Radio Regulations. Furthermore, the Union authorisation of complementary and airborne ground components should take into account specific national and cross-border conditions regarding their location, service coverage and frequency coordination, which necessitates close cooperation between the Commission with the involved Member States, including provision to the relevant Member State of the location of complementary ground components. The views of Member States should be taken into account by the Commission in the authorisation process. This approach would address regulatory fragmentation and reinforce the Union's strategic autonomy and security, whilst 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. Therefore, the conditions attached to the right of use for the 2 GHz MSS band should include appropriate measures in order to safeguard consistency with the Union's policies relying on spectrum, and to guarantee compliance with applicable ITU Radio Regulations' rules on satellite coordination and avoidance of harmful interference as well as coordination with other existing and future satellite systems, especially those which are of special importance for Union's Space programmes.

- (25a) The provision of electronic communication networks and services in the Union has since 2002 been subject only to a general authorisation, i.e. with respect to pre-defined obligations. Providers may start providing networks and services without the need to receive any prior authorisation. As the MSS and the underlying MSS systems are a type of electronic communication networks and services, they should be provided under general authorisation at Union level. The conditions attached to the general authorisation should be defined by the Commission with the assistance of the Communications Committee, through an implementing act taking into account conditions identified for the provision of electronic communication networks and services in Directive (EU) 2018/1972. Since holders of rights of use of the 2 GHz MSS band would be selected at Union level, it would be appropriate that they are, by virtue of Union authorisation, also allowed to provide the MSS and underlying MSS system using the 2 GHz band without submitting a notification to either the Commission or individual Member States to reduce the administrative burden.
- (25b) MSS systems would complement terrestrial capabilities in providing uninterrupted availability of communication service, in particular to remote and underserved regions, providing critical redundancy and resilience against ground-based disruptions, which are particularly important for the provision of safety and disaster relief services in all circumstances. In this context, it is appropriate to ensure that both the secure MSS/hybrid system and the commercial MSS systems provide for a full coverage of the population and the aggregate land area of each Member State. Full coverage should be understood as the combined fulfilment of population and geographic coverage in a near-universal manner under normal conditions, including outermost areas and high-latitude areas, such that mobile satellite services are effectively available to end-users across the Union. In order to ensure that coverage obligations are proportionate and do not create undue barriers to market entry, it is appropriate to establish a phased approach to their implementation.

- (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 IRIS² 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, **including through complementary or interworking,** of the secure MSS/hybrid system with the IRIS² system. The call for applications should specify the level of integration of the secure MSS/hybrid system with the IRIS² 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 IRIS² network management, or hosting and management of IRIS² payloads. **Integration may also include the contribution of complementary service capabilities to the IRIS² architecture, including additional service layers supporting narrowband Internet of Things (NB-IoT) applications of public interest.** 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. **To ensure an effective intergration of the secure MSS/hybrid system with the IRIS² system at further development stages, the Commission may set out further technical specifications taking into account the level of maturity of the IRIS² system.**
- (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, 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. **Any renewal of the rights of use should be subject to an assessment of technological and market developments, the efficient use of spectrum, competition and the continued achievement of the objectives of this Regulation.**
- (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.
- (29a) **Member States should be involved in every step of the comparative selection procedure organised by the Commission through their representatives in the Communications Committee. For this reason, they should be timely informed and their representatives should have access to all relevant documents, in due respect of confidentiality and business secrets. Each step of the procedure should be concluded with the adoption of an implementing act. The Communication Committee should assist the Commission in the adoption of all acts.**

- (29b) The selection procedure should be launched with the publication of the call for applications. The call for applications should detail procedural, organisational and substantial aspects related to the selection procedure to enable potential applicants to submit complete applications. For example it should specify the required content, such as evidence and documents to be submitted, and the applicable deadlines and form of submission in order for an application to be considered admissible. Furthermore, it should further detail, where necessary, the admissibility and eligibility requirements, selection criteria and authorisation conditions. The call for applications may also provide for areas of strategic importance that should be covered by priority. *Inter alia* it should specify the minimum level of the one-off financial contribution that should be proposed in the application, the methodology for calculating the level of annual fees, as well as any payment arrangements. It should establish evaluation methodologies, scoring arrangements and weighting of the selection criteria. Furthermore, it should clarify issues related to practical deployment of the 2 GHz MSS systems by selected applicants, such as rules for the use of a shared paired block of 5 GHz, including for its partitioning into dedicated channels up to 1 MHz, the minimum requirements related to capacity, availability and quality of services, or the minimum level of integration with the IRIS² system, as applicable.
- (30) The rights of use for the secure MSS/hybrid system should be assigned through a comparative procedure against the commitment of the development and operation of the project, and any financial contribution. In order to~~For preserving~~ the security, integrity and resilience of the secure MSS/hybrid system operation and to~~for allowing~~ compatibility of such system with the IRIS² 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 the calls for application a date by which the continuous provision of MSS should commence. **This date should also serve as the starting point for the deadlines by which certain requirements should be achieved, such as coverage-based requirements. These deadlines could differ for the secure MSS/hybrid system and for commercial MSS systems.** 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, **other than interruptions resulting from circumstances beyond the control of the operator, including propagation conditions, space weather, force majeure or other exceptional events.** 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.
- (31a) **In accordance with the ITU Radio Regulations, a new satellite system should coordinate with all satellite systems that have already launched or been notified which the new satellite system might affect and adjust parameters so that it does not cause harmful interference to such systems. The new satellite system receives recognition and protection for its operation only upon successful completion of the coordination process. While this Regulation does not preclude applicants who have not completed coordination processes from being admissible in the selection procedure, it has direct implications on their ability and speed to launch an MSS system and to provide interference-free MSS services. For these reasons, the applications would also be ranked, in the second selection phase, upon the maturity of ITU filings.**

- (32) The rights for use of the 2 GHz MSS band for secure MSS/hybrid systems should not be transferable~~or leaseable~~, in order to ensure that they are used for the purpose for and under the conditions which they were assigned. **In order to promote the efficient use of spectrum and to support dual-use, i.e. both governmental and commercial use of terrestrial and space infrastructure, the rights of use for the secure MSS/hybrid system could be leased on the Union territory or parts of it. On the contrary, t**~~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 Council¹⁴ 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.~~

¹⁴ 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))

- (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 management of the 2 GHz band at the Union level would provide significant positive improvements for the single market by minimising market fragmentation, ~~comparing~~**compared** 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. **Union-level contributions and fees should relate to Union-level rights of use and spectrum management activities associated with the use of the 2GHz MSS band and should be without prejudice to national fee regimes applicable to the authorisation and spectrum management of other components using frequencies outside the 2GHz 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 h~~Hence **it is** necessary to effectively manage and efficiently use radio spectrum in a strategic way~~as a common resource~~. A Union **MSS** 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~~**finite** 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~~ **makes it** difficult to predict when spectrum would be available for commercial use. **The minimum levels of the one-off financial contributions should be decided by way of implementing acts.**
- (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 **and** 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 fees are linked to the 2 GHz MSS spectrum usage licence. These are without prejudice to any other fee that national authorities might impose other than for the use of the 2 GHz MSS spectrum band.** 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 **both Union and Member State** levels 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 **a** delegated act. The annual fee should be proportionate and should be set at an appropriate level so **as to ensure efficient use of spectrum and the full recovery of estimated costs incurred by the Commission and the Member States arising from the proper monitoring and enforcement of the Union authorisation.** ~~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 a delegated act. Any amount exceeding the administrative cost as referred above should accrue to 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. **In order to enable the Commission and the authorities of the Member States to react effectively in cases of non-compliance, it should be possible where urgent action is necessary to take appropriate interim measures at Union or Member State level.** Monitoring arrangements to evaluate the provision of services and efficient use of spectrum should rely both on national capacities and ~~on the~~ cooperation with the European Space Agency. **Monitoring arrangements should include verification of the technical conditions attached to the authorisation as well as of the compliance with the authorisation requirements, including ownership control, service coverage, service quality and, where applicable, security obligations of the MSS systems. They should establish operational procedures for rapid information exchange, national monitoring, interference management, breach reporting and administrative reporting between the concerned national competent authorities and the Commission.**
- (41) 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.

- (42) The rights of use granted in accordance with Commission Decision 2009/449/EC¹⁵ 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 **arrangements should guarantee non-discriminatory access to experimental use** ~~should allow experiments and~~ 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 **MSS services**,
- (42a) In order to ensure further continuation of certain services, which have been deployed by the incumbent MSS right holders and taken up by customers, the authorisation conditions for the 2 GHz MSS band under this Regulation could provide for a degree of service continuity and provide for solving any dispute between incumbent operators and new entrants in this matter, in the event that the rights of use would be allocated to new entrants.**

¹⁵ 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>

(43) In order to ensure the effectiveness of this Regulation, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission to extend the admissibility requirements to applicants from geographically neighbouring countries and to specify the methodologies for establishing fees. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making*. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.

(44) In order to ensure uniform conditions for the implementation of this Regulation implementing powers should be conferred on the Commission to adopt implementing acts related to the selection and the authorisation procedures, as well as to the mechanisms aimed at ensuring enforcement of the authorisation and the collection of fees. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council¹⁶. To ensure the proper involvement of Member States on questions that are of potentially important impact, it is necessary to provide, where appropriate that those implementing acts are adopted in accordance with the examination procedure set out in that Regulation.

HAVE ADOPTED THIS REGULATION:

¹⁶ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13, ELI: <http://data.europa.eu/eli/reg/2011/182/oj>).

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 government-~~authorised~~ 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.
4. **This Regulation shall be without prejudice to actions taken by Member States for public order and public security purposes and defence.**

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 ~~earth~~ground stations and one or more space stations;
 - (b) radiocommunications services between mobile ~~ground~~earth stations by means of one or more space stations;
 - (c) radiocommunications services between ~~a~~ mobile ~~ground~~earth stations and one or more complementary ground and/or airborne components;
- (2) '~~ground~~gateway earth station' means stationary ~~terrestrial equipment~~earth station, 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;
- (2a) 'mobile earth station' means an earth station in the mobile-satellite service intended to be used while in motion or during halts at unspecified points.**
- (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~~ **located on an object at an altitude of 20 to 50 km and** 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 **except in circumstances beyond the control of the MSS operator**
- (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~~ **MSS** 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 **as integral parts of the system**;
- (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~~ **public interest** services which are provided **through a secure MSS/hybrid system** 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 authorised 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 MSSband;
- (13) ‘commercial MSS system’ means an MSS system which provides publicly available MSS to the public;
- (14) ‘landing of traffic’ means routing of mobile satellite communications traffic through a complementary ground component, a complementary airborne component, a gateway earth station or a mobile earth station ~~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~~ **over an undertaking, within the meaning of Article 3(2) of Regulation (EC) No. 139/2004.**
- (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~~ cooperation

1. For the purpose of **facilitating** coordination of the use of the frequencies, in the ~~immediate~~ geographic neighbourhood of the Union, including the Arctic region **and the Black Sea region**, the Commission, **assisted by the RSPG**, shall have the power to make the necessary **administrative** 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 **Member States through the Communications Committee, 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~~**organise** 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 shall keep the Communications Committee informed of the overall progress of the selection procedures and of the granting of the Union authorisations and of any relevant related matters.

The Commission reserves the right ~~to grant or~~ not to grant any right of use referred to in the first subparagraph. **Any decision not to grant a right of use shall be adopted following consultation of the Member States and take the form of an implementing act. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 22(3).**

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.

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 examination procedure referred to in Article 22(~~2~~3).

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 **and it shall be assessed on the basis of criteria specified in the call for applications.**
6. ~~If the applicants are not selected in the first phase~~ **Where the selection procedure is not completed after the first selection 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.
9. **The Commission shall adopt a decision, by way of implementing acts, to close the selection procedure for any right under Article 4(1) without selecting any applicant if none of the applicants fulfils either the admissibility requirements as set out in Articles 6, 9 or 10, as applicable, or the eligibility requirements as set in Article 7(1) or Article 11(1), as applicable.**
10. **The** implementing acts **referred to in paragraphs 8 and 9,** shall be adopted in accordance with the ~~advisory~~ **examination** procedure referred to in Article 22(~~32~~).

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 **to** be subject to obligations under third country jurisdiction **in relation to the provision of MSS in the Union;**
 - (d) **to** 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 **including telemetry, tracking and control facilities,** 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) **formal** filing(s) **in related relation** to the 2 GHz MSS band from a Member State **or to provide evidence of the initiation of a filing procedure by a Member State or a commitment by a Member State to submit such a filing** and **to commit to** 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, **all of the following shall apply:**
- (a) the requirements set out in paragraph 1, points (a) to (d), shall apply to each legal or natural person of the joint venture;
 - [(b) the requirement set out in paragraph 1, point (e), shall apply at the level of the joint venture];**
 - (c) the requirement set out in paragraph 1, point (f), shall apply to at least one member of the joint venture.³.
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~~ **each** Member States ~~and to at least 95% of the population and to 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, and to full coverage no later than ten 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~~ **a high level of security of supply for** the key components of the secure MSS/hybrid system, as specified in the call for applications, ~~are~~ **which shall be** manufactured in the EU and integrate Union technologies;
- (g) to ensure integration with existing and future capacities of IRIS² 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 IRIS² 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.
- (k) **to commit to make every effort for ensuring resilience of the secure MSS/hybrid system, including in cases of jamming and spoofing of radio signals or limited availability or degradation of global navigation satellite systems (GNSS).**

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, **in close cooperation with the Member States, adopt, by means of an implementing acts, a decision**~~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. **Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 22(3).** 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 weighting:
 - (a) population and geographic coverage 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, **including their overseas territories**, 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;
- (iv) the degree of coverage in areas of high latitude;**
- (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~~**capability** 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 IRIS², 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 **research and industrial capabilities across the digital technology supply chain, for example through the development of trans-European industrial cooperation and geographically diversified participation of undertakings from different Member States,** 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~~**financial conditions for services to government-authorised 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.

(m) the maturity of ITU filing under Article 6(1)(f).

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 to 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;

(fa) to commit to carry out all relevant activities including telemetry, tracking and control related to the operation of the commercial MSS system in one or more Member States;

- (g) to ~~be covered by~~**have** one or more ~~appropriate~~ITU **formal** filing **submissions in relation** to the 2 GHz MSS band **or to provide evidence of the initiation of a filing procedure by a notifying administration or a commitment by a notifying administration to submit such a filing,** and to **commit 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 **or non-compliance with ITU Radio Regulations.**

3. Where an applicant is a joint venture, **all of the following shall apply:**
- (a)** 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,~~
 - (b)** **the requirements set out in paragraph 1, point (fa), shall apply at the level of the joint venture;**
 - (c)** **the requirements set out in paragraph 1** point (~~gh~~) 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 to-~~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 to 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 to 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~~have one or more appropriate ITU formal filing(s) related to the 2 GHz MSS band or to provide evidence of the initiation of a filing procedure by a notifying administration or a commitment by a notifying administration to submit such a filing and to commit to take all necessary measures ensuring compliance of the proposed commercial MSS system with the ITU Radio Regulations;

(g) to have Telemetry, Tracking and Control facilities within the Union.

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 or non-compliance with ITU Radio Regulations.

3. Where an applicant is a joint venture, **all of the following shall apply:**
- (a) 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 paragraph 1;
 - (b) **the requirements set out in paragraph 1, point (g) shall apply at the level of the joint venture;**
 - (c) **the requirements set out in 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 **each all Member States and to at least 95 % of the population and to at least [over] 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, and to full coverage no later than ten years from that date;**
 - (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~~**interference** in the provision of the service;
 - (ii) sensitive information relating to the provision of the service is effectively protected from unauthorised access;
 - (iii) disaster recovery or data backup and restore operations do not involve the processing, transmission or storage of data in regions outside the Union;**
- (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).

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 weighting:
 - (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, **including their overseas territories**, which is within the service areas 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;**
 - (iv) the degree of coverage in areas of high latitude;**
 - (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 **the** Union's **research and** industrial capabilities across the digital technology supply chain, **taking into account geographic diversification and participation of undertakings from different Member States,** 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 **of** 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), (c) 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;
- (k) the maturity of the ITU filing under Article 9(1)(h) and Article 10(1)(f) as applicable.**

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).

3. The Commission may relaunch the selection procedure in the case of the spectrum reserved for new European entrants when the Commission concludes that none of the applicants have successfully completed this phase.

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, **in close cooperation with the Member States**, subject to the conditions laid down in Article 14(1) or Article 15(1) as applicable.

The Commission shall cooperate with Member States in the granting of the Union authorisation, its transfer or lease, its withdrawal or in any other procedures related to the Union authorisation, in accordance with the procedures laid down in this Regulation. The Commission shall cooperate with Member States to ensure the monitoring compliance of holders of Union authorisations in accordance with Article 19.

2. The authorisation referred to in paragraph 1 shall include a general authorisation for the provision of MSS and the satellite networks providing MSS **system using the 2 GHz band**, ~~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.

- 2a. **Where the authorisation referred to in paragraph 1 is to cover complementary ground and/or airborne components, the Commission shall notify the relevant Member State of the location of such components. The specific conditions of Union authorisation of complementary ground and airborne components shall be set out in close cooperation with the Member States in which they are located and for which they provide MSS coverage. The Commission shall take into account relevant comments of the Member State, with the view to ensuring consistent Union authorisation.**

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 **adopted in accordance with the examination procedure referred to in Article 22(3)**, 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) 2019/881 of the European Parliament and of the Council** ~~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, **and, where applicable, complementary ground and airborne components** 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 Council¹⁷. The implementing act adopted pursuant to the first sub-paragraph shall set objective 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 Council¹⁸ which shall be set as condition to the EU satellite authorisation.
- (e) **compliance with accessibility requirements for end-users with disabilities, including equivalent access to and choice of services in accordance with Article 111 of Directive (EU) 2018/1972, and the accessibility requirements set out in Directive (EU) 2019/882, where the services fall within the scope of that Directive;**

Those implementing acts referred to in the first sub-paragraph shall be adopted in accordance with the advisory procedure referred to in Article 22(32).

5a. For carrying out lawful interception tasks, the law enforcement authorities from Member States shall be able to access data transmitted through gateway Earth stations from the authorities of the Member States where such infrastructure is located, in accordance with Union law and national law applicable in the Member State where the infrastructure is located.

The implementing act adopted pursuant to the paragraph 5, first sub-paragraph shall set out objective criteria for designating further 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 Council¹⁹ which shall be set as condition to the Union satellite authorisation.

¹⁷ 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>

¹⁸ 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>

¹⁹ 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>

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 entry into application of this ~~proposal~~ **Regulation** 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;
 - (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 **or act** 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 IRIS² system architecture, in accordance with ~~the specifications of Regulation (EU) 2023/588 and the call for applications~~ **and the technical specifications set out in accordance with the second subparagraph;**
- (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, **including** to any satellite system authorised in the Union or financed under Union's programmes, **and in compliance with the ITU Radio Regulations;**
- (i) to honour any **all** 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~~ the system.
- (m) to cooperate with the competent authorities of the Member States in matters relating to international frequency coordination, the prevention and resolution of harmful interference and compliance with the ITU Radio Regulations.**

For the purposes of compliance with point (f), the Commission may set out, by way of implementing acts adopted in accordance with the examination procedure referred to in Article 22(3), the technical specifications and the procedural rules necessary to ensure the efficient integration of the secure MSS/hybrid system with the IRIS² system architecture as deployed in accordance with Regulation (EU) 2023/588, taking into account the commitments made by the holder of the authorisation in its application pursuant to Articles 7 and 8.

2. The holder of the rights of use **of spectrum** 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 **common or a shared manner for both systems or as a single system**, 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 **in each Member State**;
 - (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,

(da) to 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 fair, reasonable, non-discriminatory** ~~wholesale access, under objectively justified, non-discriminatory, proportionate~~ and transparent **terms and** conditions;
- (h) **where the selected holder supplies more than 50% of the wholesale or retail mobile satellite services in a given Member State,** not to conclude **or maintain** exclusive agreements with providers of retail services **in that Member State** ~~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 **Communications** Committee ~~of~~ an annual report detailing the status of development of their ~~proposed~~ system.
- (j) to cooperate with the competent authorities of the Member States in matters relating to international frequency coordination, the prevention and resolution of harmful interference and compliance with the ITU Radio Regulations;**

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.~~ **The Commission shall take a decision on the commencement date of the right of use in accordance with the procedure referred to in Article 22(3).**

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 the 2 GHz MSS band ~~shall~~**may** be renewed once for a ~~similar~~**duration not longer than the original duration** ~~and with similar conditions~~ upon request by its holder. **The renewal should be requested at least seven years before the expiry of the right of use pursuant to paragraph 4.**
4. The Commission ~~may~~**shall consider the request and, following consultation with Member States,** decide, **by way of implementing acts,** at least five years before the expiry of the right of use, **one of the following:**
- (a) to renew the rights of use for the same duration and under the same conditions as under the original rights of use;**
 - (b) to renew the rights of use for a shorter duration than or under different conditions than under the original rights of use; or,**
 - (c) not to renew the right of use but and let it expire. Before that expiry and in order to ensure continuity of the service, the Commission shall immediately 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:**

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 22(3).

(4a) The Commission shall substantiate its decision under paragraph 4, points (b) or (c), based on 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 **under paragraph 4, point (a) or (b),** shall be accompanied by a review of the annual fees. **It shall include an obligation for the payment of a** one-off financial contribution for the use of the 2 GHz MSS band, **to be set out based on the methodology established in the delegated act referred to in Article 18(6).**

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.~~
- 1. The rights of use for 2 GHz MSS spectrum for the provision of secure MSS/hybrid systems may not be transferred. The rights of use for 2 GHz MSS spectrum for secure MSS/hybrid systems may be leased partially or entirely only to undertakings which fulfil the admissibility and eligibility criteria and the authorisation conditions and under the conditions set out in this Article.**

- 2. The rights of use for 2 GHz MSS spectrum for commercial MSS spectrum may be transferred or leased partially or entirely only to undertakings which fulfil the admissibility and eligibility criteria and the authorisation conditions and under the conditions set out in this Article.**
- 2a. No transfer or lease of the rights of use referred to in paragraphs 1 and 2 may be pursued or implemented before the Commission has adopted a decision on the approval of that transfer or lease in accordance with paragraph 4.**
3. The holder of rights of use **of MSS 2GHz spectrum** for ~~commercial~~ MSS systems shall notify **the Commission of** its intention to transfer or lease any of the rights of use of blocks of the 2 GHz MSS band, **as applicable**, 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, **by way of implementing acts adopted in accordance with the examination procedure referred to in Article 22(3), regarding the approval to authorise** the transfer or lease of rights of use for a commercial **MSS system or the approval of the lease of the rights of use for a secure MSS/hybrid system** ~~mobile satellite system~~. **The Commission shall refuse the approval –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, **together with the original holder of the right of use,** 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 to 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^[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) 2024/2509²⁰.
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 **and the costs incurred by national competent authorities in carrying out the monitoring and enforcement tasks referred to in Article 19.**

²⁰ 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>

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 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 **referred to in paragraph 4.** ~~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.

In case national competent authorities incur costs in supporting the Commission in spectrum management, they shall recover those costs which shall be considered as expenditure and shall be deducted from the revenues generated by the annual fees.

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, **including the arrangements for covering the costs incurred by national competent authorities referred to in paragraph 4.** 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 **to** in Article 22(3).

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 and the Member States shall monitor the compliance of holders of Union authorisation for rights of use of 2 GHz band with the provisions of this Regulation, and the applicable ITU Radio Regulations, and shall take appropriate measures to address any non-compliance. This is without prejudice to the powers of the Commission or any competent authority to assess compliance with obligations under EU or national law other than those provided in this Regulation.**

After consulting the RSPG, the Commission shall, by way of implementing acts, establish detailed arrangements for the coordinated monitoring and enforcement **between the Commission, Member States, RSPG and any supporting Union body designated under this Regulation in relation to** the Union authorisations for the 2 GHz MSS band. Those implementing acts shall be adopted in accordance with the ~~advisory~~**examination** procedure referred to in Article 22(32). **The [implementing acts] shall specify the practical arrangements for cooperation and coordination.**

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.

The Commission, **on its own initiative or upon receiving a notification from a competent authority in accordance with the first subparagraph,** 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 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), of the provisions rules referred to in paragraph 1, it shall inform that entity of its findings and give the undertaking the opportunity to state its views, within a time limit of at least 20 working days. Where the Commission finds no breach, it shall inform the Member States.

3. The Commission may impose fines or periodic penalty payments on undertakings for breaches of authorisation conditions or provisions of this Regulation, except for 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.
4. 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, effective, dissuasive 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. Before adopting a decision to withdraw the Union authorisation, the Commission shall consult the Member States concerned. 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).

- 5.** Any measure decided by the Commission, pursuant to paragraph 4, shall be enforced by the national competent authorities to its full extent and within the deadline set by the Commission.

Exceptionally, a national competent authority may request the Commission to defer the application of its measure on its national territory for a renewable period of up to 6 months where that measure is likely to seriously disrupt connectivity in its territory.

- 6.** **Where urgent action is necessary to avoid harmful interference in its territory, a national competent authority may, on its own initiative or at the Commission's request, take appropriate interim measures including the suspension of the application of the authorisation in its territory. When doing so on its initiative, the national competent authority shall inform the Commission of the reasons for its action within five working days. The Commission shall inform the RSPG and the other national competent authorities. The Commission shall immediately start the procedure provided for in paragraph (2).**

- 7.** Notwithstanding paragraphs 1 to **46** 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 to the incumbents, Viasat and Echostar, 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. During the extension period, the rights of use shall be limited to the continued provision of the kind of wholesale or retail services already having been supplied for a period of at least 5 years prior to the entry into force of the 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 t~~The rights shall not be transferred, nor leased or sub-leased during this extension period. For the purpose of coordinated application of the rules on monitoring and enforcement, Commission Decision 2011/667 of 10 October 2011²¹ 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).

²¹ 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>

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 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

For the Council

The President The President

ANNEX

MILESTONES FOR AN MSS SYSTEM

1. Compliance with international regulations

The applicant shall provide clear evidence on ensuring compliance of the mobile satellite system with the ITU Radio Regulations from the date of commencement of the continuous provision of MSS, including:

- (a) applying the relevant ITU Radio Regulations' coordination and notification procedures, including the entry in the ITU Master International Frequency Register (MIFR), respecting the ITU status and dates of protection and carried out in good faith;
- (b) completing all relevant international coordination agreements;
- (c) avoiding harmful interference to other satellite networks/systems and to any stations operated in accordance with the ITU Radio Regulations;
- (d) operating on a non-interference non-protection basis when the filing has not yet been notified and recorded in the MIFR or under the ITU Radio Regulations' Article No.4.4.

The applicant shall provide clear evidence that the administration responsible for the ITU filing of the mobile satellite system, subject to the application, has submitted the necessary ITU Radio Regulations' Appendix 4 information.

2. Satellite manufacturing

The applicant shall provide clear evidence of a binding agreement for the manufacture of the satellites of the mobile satellite system subject to the application within the territories of the Member States. The document shall identify the construction milestones leading to the completion of manufacture of those satellites. The document shall be signed by the applicant and the satellite manufacturing company.

3. Satellite launch agreement

The applicant shall provide clear evidence of a binding agreement to launch the minimum number of satellites required for the continuous provision of MSS within the territories of the Member States. The document shall identify the launch dates and launch services and the contractual terms and conditions concerning indemnity. The document shall be signed by the mobile satellite system operator and the satellite launching company.

4. Gateway Earth Stations

The applicant shall provide clear evidence of a binding agreement for the construction and installation of Gateway Earth Stations that would be used for the continuous provision of MSS within the territories of the Member States.

5. Launch of satellites

The applicant shall provide clear evidence of the successful launch and in-orbit deployment of the number of satellites required for the continuous provision of MSS within the territories of the Member States.

6. Provision of MSS within the territories of the Member States

The applicant shall provide clear evidence that it is effectively providing full-scale continuous MSS within the territories of the Member States, including the territorial waters of all Member States, using at least the number of satellites it has previously identified under milestone 3 to cover the geographical area the applicant has committed to in its application from the date of the commencement of the continuous provision of MSS.
