Asia Pacific Satellite Fallout

Liz Fell reports

The burgeoning number of regional satellites and TV networks beaming across national boundaries is straining regulatory frameworks at both the national and international levels.

Governments in virtually every Asian country are grappling with the fallout in three separate areas: broadcasting, telecommunications and radio communications.

Positioned at the southern edge of the region, Australia has been relatively sheltered from the plethora of new satellite-delivered TV networks, though domestic TV signals have been dropped on our neighbours via Aussat (now Optus).

The new *Broadcasting Services Act* will be tested next year when Apstar-2 and AsiaSat-2 begin beaming satellite TV to some 53 countries, including Australia.

Alongside the ABC's Australia TV (complete with ads), China's Apstar-2 will carry the Galaxy group of programmers which includes CNN, Home Box Office, ESPN and others. News Corp's Star TV, based in Hong Kong, will use AsiaSat-2 to deliver another menu of channels.

Redistribution

Both Star and Galaxy are competing for redistribution agreements with what will be initially a limited number of licensed TV operators in each country they are targeting.

After entering the region with free advertising channels, Star is now planning to secure additional revenue from subscribers. Through "entitlements marketing", for instance, it will package encrypted channels into tiers, themes and pay-per-view options for national redistributors in different countries/regions.

Without national redistribution agreements, Star and Galaxy must try to reach subscribers or viewers directly. This direct-to-home delivery, which is banned in some countries is expected to become more expensive when our programmers migrate to digital compression technology, especially if they opt for proprietary encryption/security systems.

Whether Australia becomes a large dish farm with satellite TV antenna perched on suburban or rural rooftops, will depend in part on these redistribution agreements and the speed with which licensed operators, and Telecom, implement terrestrial infrastructure to homes.

Privatisation

Apstar and AsiaSat are only two of the private satellites planning to beam into Australia within the next 18 months. Private operators from Indonesia, Japan, Russia and the US are also planning to launch powerful new regional satellites with footprints that can cover all or part of the continent.

The move towards private satellites competing at a regional or global level with the Intelsat consortium was unleased in the early 1980's by Regan's "open skies" policy in the US and by the new Luxemburg-based Astra satellite in Europe.

With the widespread adoption of privatisation and private competition in the communications sector, Asian governments have been quick to follow by licensing their own satellite operators. This has allowed some powerful conglomerates to enter the telecoms carrier/TV sectors: Bimantara from Indonesia, Shinawatra from Thailand, Usaha Tegas and TRI in Malaysia and several Japanese soga sosha such as Mitsubishi.

US-based PanAmSat has become the first private operator to challenge Australia's regulatory arrangements under the *Telecommunications Act* which are designed to ensure the two general carriers are the primary suppliers of satellite capacity within Australia. For services beyond Australia, customers can secure capacity directly from non-carrier satellite operators.

PanAmSat last September asked the then Communications Minister for a limited exemption to distribute domestic TV and radio services and to supply private domestic telecoms networks through the PAS-2 Pacific satellite. It is not challenging the Optus monopoly on subscription TV broadcasters under the *Broadcasting Services Act*, though narrowcasters would appear to fall within its ambit.

Regulatory issues

Other governments in the region face similar regulatory minefields as they begin to grapple with problems such as national bypass and whether to allow landing rights for non-carrier satellite operators and their TV customers.

Subject to the *Telecommunications and Broadcasting Services Acts*, Australian programmers can upink and downlink to non-carrier satellites, provided they have a licence to operate a prescribed earth station under the *Radiocommunications Act*.

In the international arena, privatisation of international satellite supply has been accompanied by a shift towards viewing the geostationary orbit (GEO) and radiofrequency spectrum as an economic good rather than as a public resource.

This market-based shift is challenging the spirit of intergovernmental co-operation underlying the ITU, the specialist UN agency responsible for, inter alia, regulating access to and use of orbit/spectrum. Based on the non-appropriation principles governing the use of outer space resources, the ITU radio regulations supplement the ITU Constitution/Convention and have the force of an international treaty for members.

Fierce competition to occupy the GEO arc that "sees" the high growth Asian nations has led to operators trading in orbit/spectrum, staking out multiple "speculative" claims and parking "end-of-life" satellites in slots claimed by others.

Current ITU listing suggests that there is not enough orbit/spectrum in the unplanned fixed satellite service (FSS) bands for all the proposed satellite networks to operate without interference. Even tiny Singapore has filed for six slots.

This situation, which some have characterised as "anarchic" has triggered calls for changes to the unwieldy ITU radio regulations. Others argue that many new filings are "speculative" and will not reach the financing, manufacture or launch stage. This appears to be the position of the US government which is planning to allow PanAmSat to launch its PAS-2 satellite close to an unused slot registered to PNG.

With Australia and several other regional nations applying to the ITU for spectrum to launch Direct Audio Broadcast (DAB) satellites, new technical co-ordination and regulatory hurdles may also be on the horizon.

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