

# **The New Regulatory Framework for Electronic Communications**

## **Legal and economic implications**

George Papapavlou, European Commission

Liberalisation of telecommunications in the European Union started in the late 1980s and went through several stages of regulatory intervention. The new regulatory framework (NRF) adopted in 2002 constitutes the last stage of this process and aims at addressing the convergence of technologies and applications on a variety of platforms, focusing on an ex ante evaluation of the competitive situation in a large number of specific markets. Market data show that the liberalisation process, aiming at more competition, bigger choice and better quality of communication products and services, has already given satisfactory results. The NRF focuses on increased role for the NRAs in undertaking market analysis and imposing or withdrawing remedies after a consultation process involving all market players, the Commission and other European NRAs. Five Member States have not yet transposed the NRF and the Commission has launched appropriate infringement proceedings. Implementation experience so far has identified several issues that will require particular attention. A review of the NRF will be undertaken by the Commission in 2006.

## **Implementation of the NRF in C&E European countries**

### **Some regional particularities?**

George Papapavlou, European Commission

All ten new Member States of the EU accepted to have the New Regulatory Framework for electronic communications transposed by 1<sup>st</sup> May 2004. Hungary, Latvia, Lithuania, Slovakia and Slovenia were on time, Poland's law came into force in September, while the Czech Republic and Estonia have not yet transposed. All new Member States had first to meet the starting conditions reflected in the 1998 regulatory framework and this was largely done, although actual implementation has raised a number of concerns. Provisional market data indicate that there are some regional particularities in most of the C&E European new Member States, relating to relatively small market size, low fixed line penetration and broadband take-up, degree of actual competition and dominant role of the incumbent. All main principles of the NRF are fully valid, however in terms of more, effective competition, improved harmonisation and more attention to the interests of users. National laws are currently being examined by the Commission, but the real test will be how they will be practically implemented.