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**The EU regulations on Electronic  
Communications Networks and  
Services**

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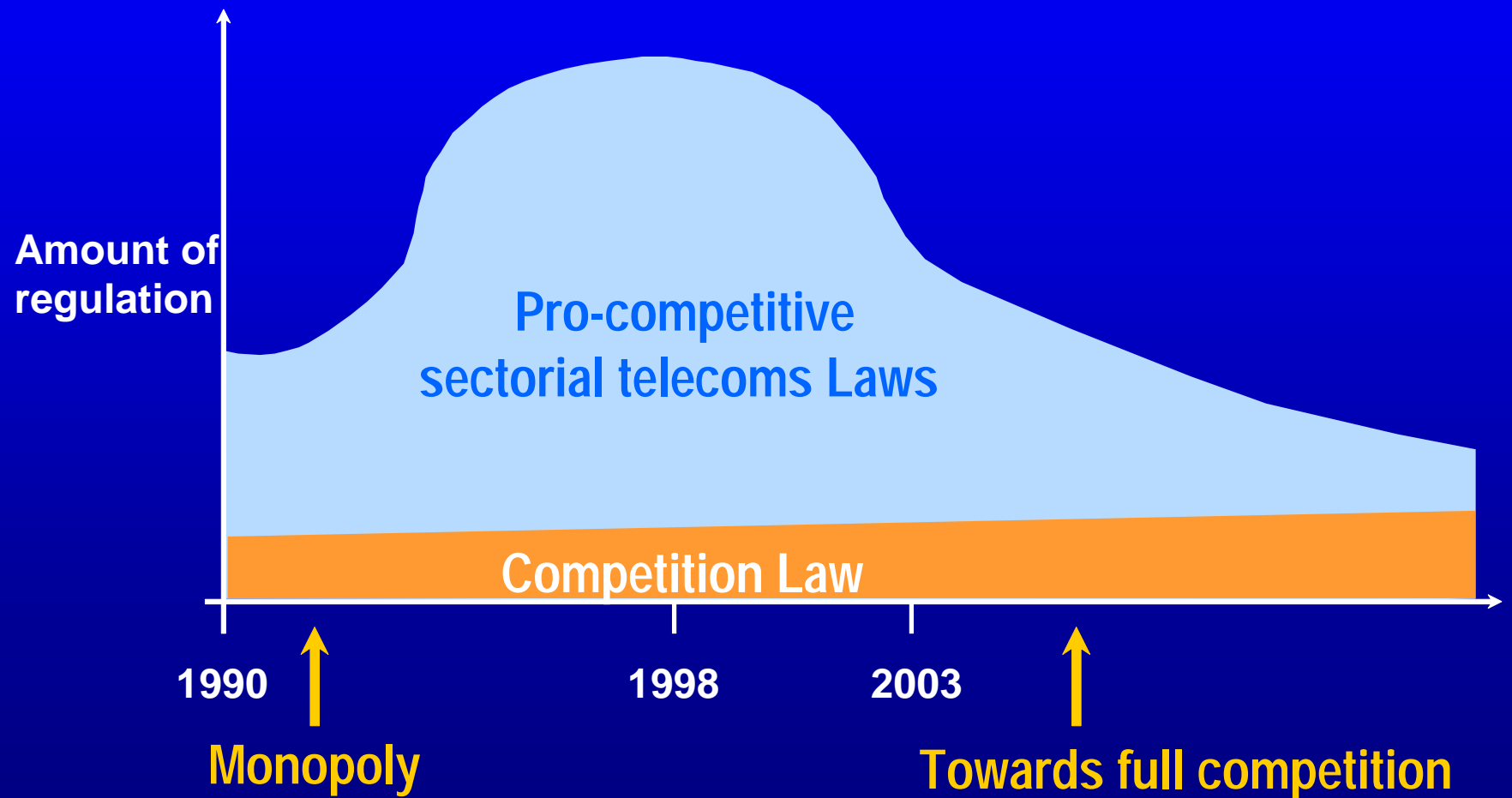
## *DG INFSO*

- Developing and Implementing overall IT policy at European Level:
- eEurope 2005
- Research Activities/the IST Programme
- The Regulatory Framework for Electronic Communications

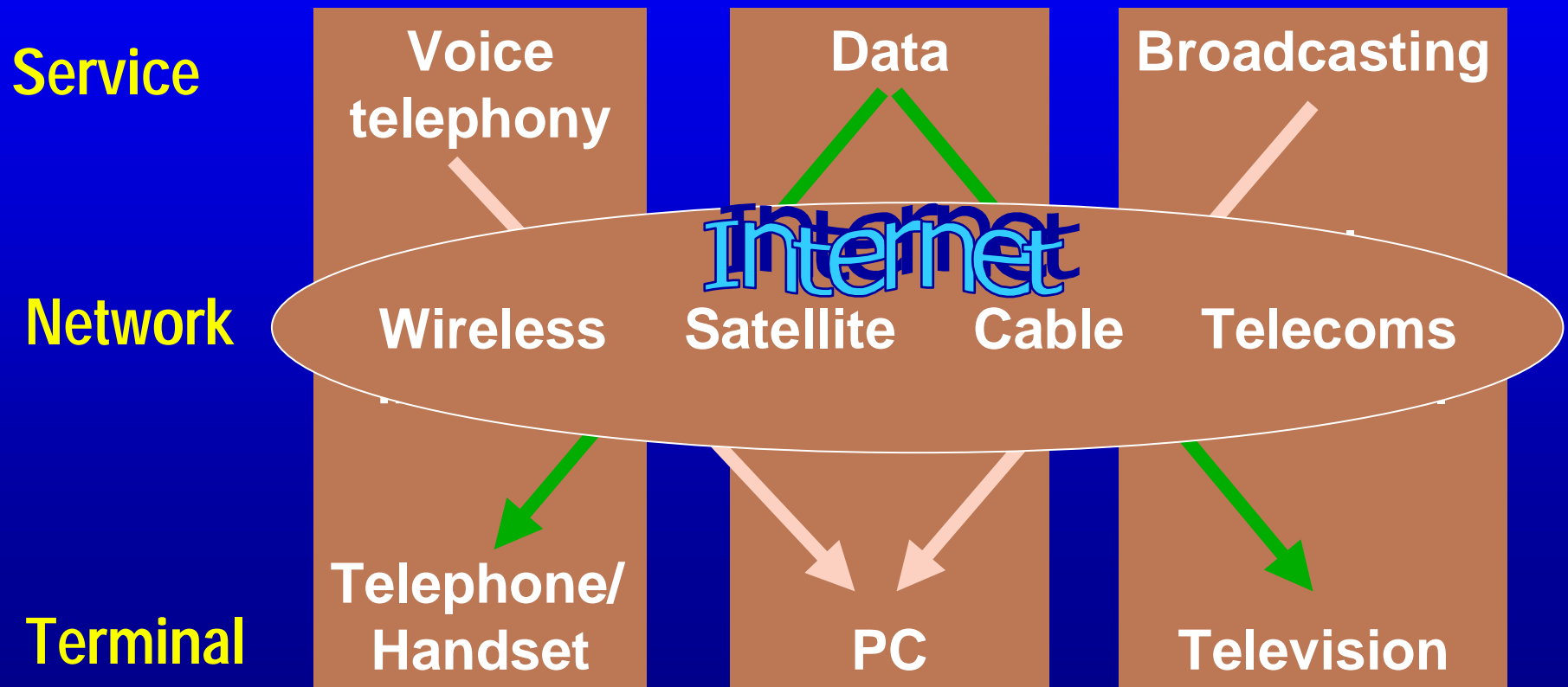
## *Objectives of the New Regulatory Framework*

- Create a Dynamic, Innovative Single Market for Telecommunications Services and Equipment in Europe, Providing Users with Choice and Quality
- Liberalisation to Remove Barriers to Competition
- Harmonisation to Prevent Unnecessary Differences Between Member States
- Promote the Interests of the Citizen (Universal Services, Consumer Protection, Privacy, Dispute Resolution)

# Predictable Withdrawal of Regulation



# Convergence is a reality



# **Electronic communications networks and services - Scope**

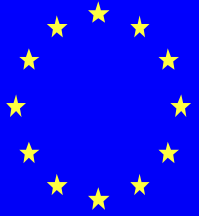
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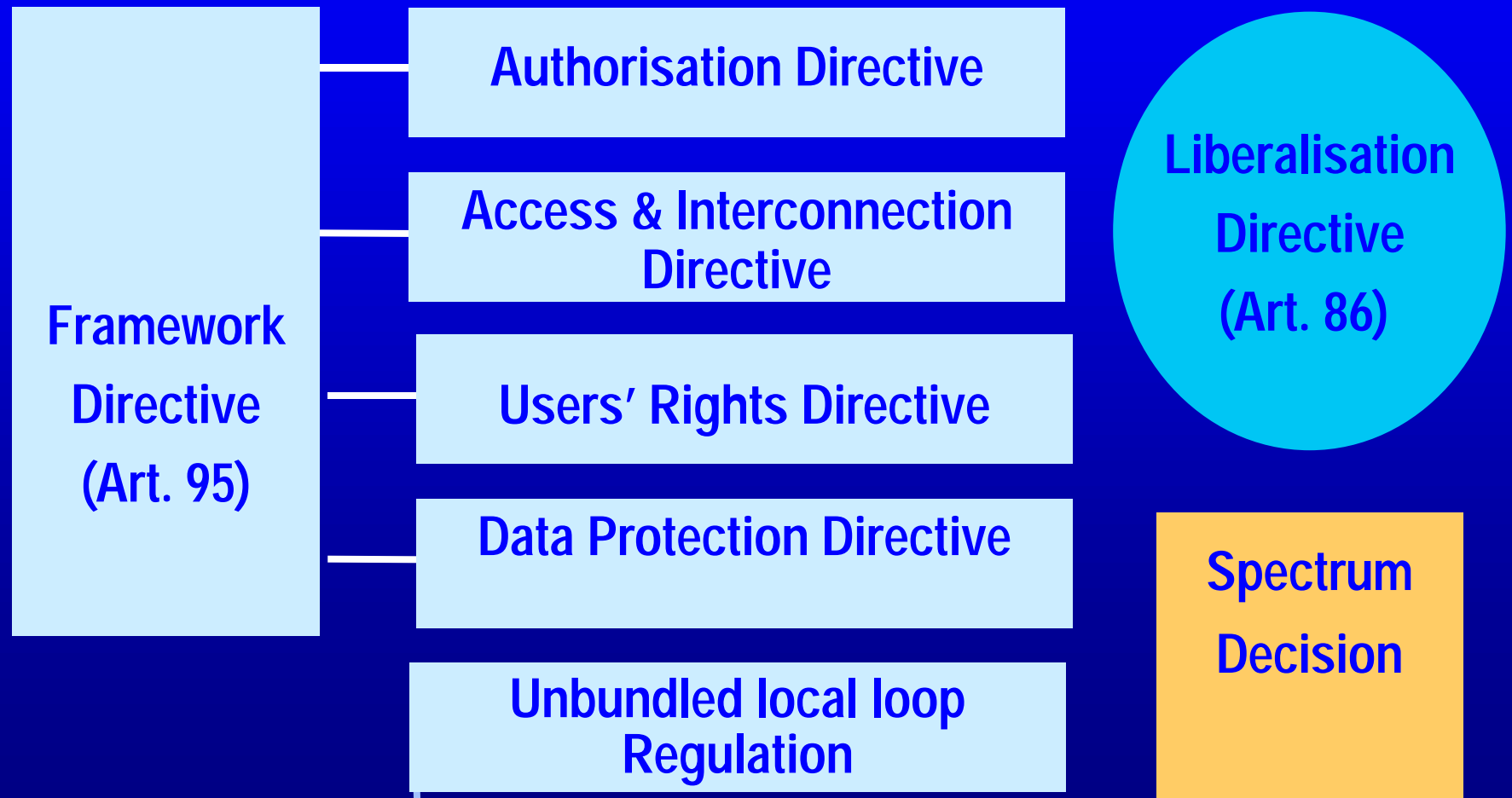
**Content Services**  
- outside scope of new framework  
(e.g. broadcast content, e-commerce services)

**Communications services**  
(e.g. telephone, fax, e-mail)

**Communications networks**  
(fixed, mobile, satellite, cable TV, powerline systems,  
networks used for radio and television broadcasting)  
**and associated facilities** (e.g. CAS)



# The new package



# Framework Directive

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- ◆ **Definitions and scope**
- ◆ **National regulatory authorities:**
- ◆ **Transparency and consultation procedures**
- ◆ **Numbering naming addressing; rights of way; collocation & facility sharing**
- ◆ **SMP and market analysis**
- ◆ **Standardisation**
- ◆ **Dispute resolution procedures**
- ◆ **Communications committee**



# Authorisation Directive

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- ◆ Establishes right of market entry
- ◆ Limits the conditions that Member States can impose in authorisations
- ◆ Rights of use of radio frequencies and numbers
- ◆ Compliance and information provision
- ◆ Charges and fees
- ◆ Transition from existing licences

# Access Directive

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- ◆ **Covers relationships between suppliers of networks and services (ie wholesale)**
- ◆ **Ensures “any to any” interconnection**
- ◆ **Provides NRAs with menu of obligations to use to address interconnection and access issues**

# Universal service Directive

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- ◆ **Scope, costing and financing of Univ service**
- ◆ **Leased lines, carrier (pre) selection**
- ◆ **Number portability, caller location (fixed and mobile)**
- ◆ **Contracts and user rights**
- ◆ **Transparency of information, quality of service**
- ◆ **Network integrity, ‘must-carry’, interoperability of digital TV equipment**

# Data Protection Directive

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- ◆ Processing of traffic data
- ◆ Processing of location data
- ◆ Calling line identification
- ◆ Directories
- ◆ Unsolicited communications ('spam')
- ◆ Exceptions for national security and law enforcement purposes

# ***New approach to Radio Spectrum in EU***

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## **◆ *Policy framework will:***

- ◆ address the strategic planning and harmonisation of the use of ALL radio spectrum in the Community (broadcasting, transport, communications etc)
- ◆ take into account economic, health, public policy, cultural, scientific, social and technical aspects
- ◆ seek to balance the various interests of different spectrum users

## *Additional Measures*

- Commission Guidelines on the Assessment of Significant Market Power (SMP)
- Commission Recommendation on Relevant Markets
- ERG and the EC – Common Position on the Application of Regulatory Remedies

# Players to be regulated

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- ◆ **Undertakings with a dominant position in an identified market where competition is not effective**
- ◆ **NRA designates such players as having SMP and imposes appropriate obligations**
- ◆ **Commission can block NRA decisions regarding designation, or not, of undertakings with SMP**

# New Groups and Committees

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## ◆ Spectrum policy group

- ◆ High level policy group established by Commission decision, chaired by M State

## ◆ Radio Spectrum Committee

- ◆ standard comitology committee with regulatory and advisory roles

## ◆ Communications Committee

- ◆ standard comitology committee with regulatory and advisory roles

## ◆ European Regulators group

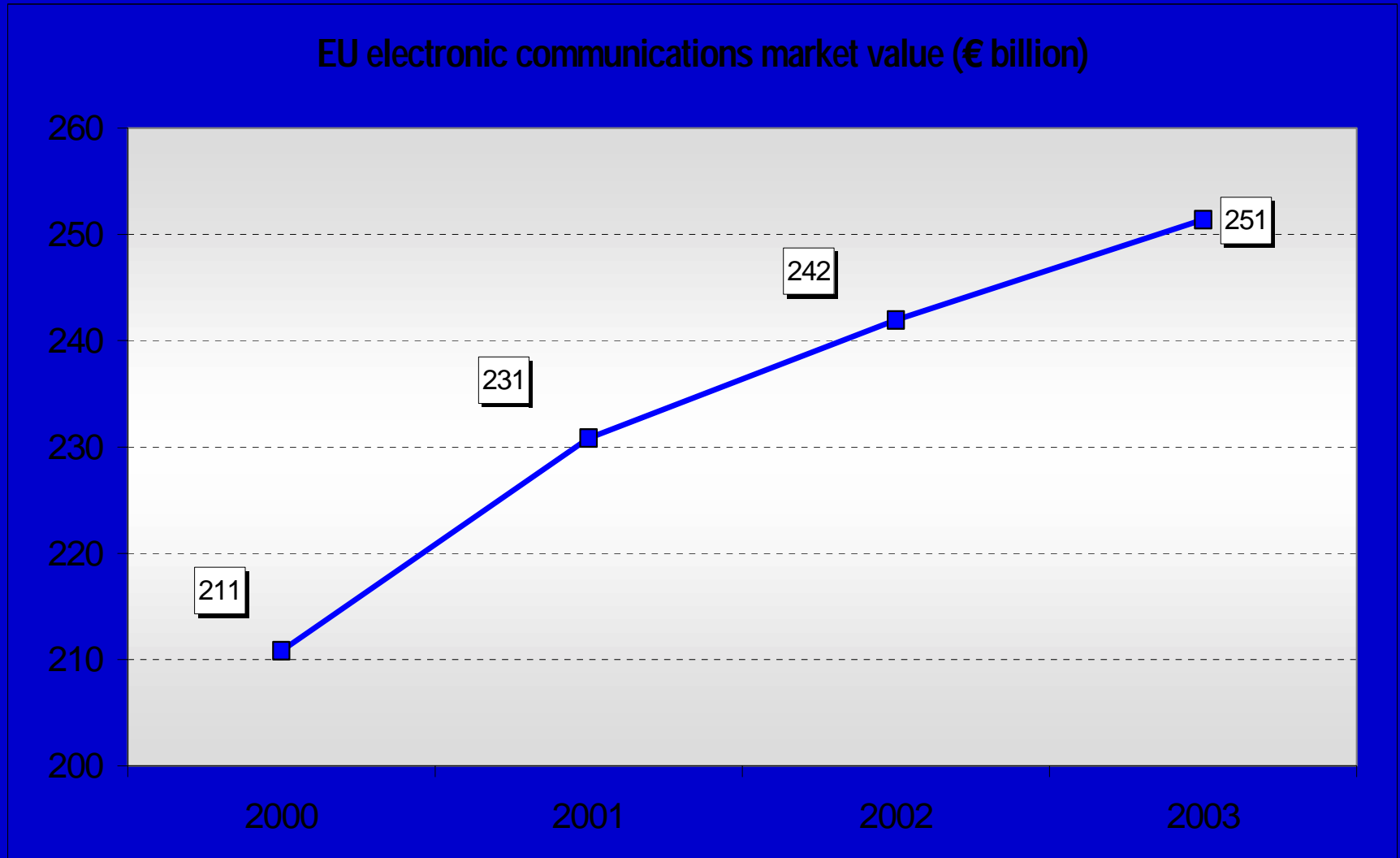
- ◆ Chaired by a Regulator; aim is to seek consistent application of rules in all M States



# *9th Implementation Report*

- Electronic communications market -  
“Renewed confidence”, driven by
  - **Market growth**
  - **Broadband rollout**
  - **Mobile subscriptions**

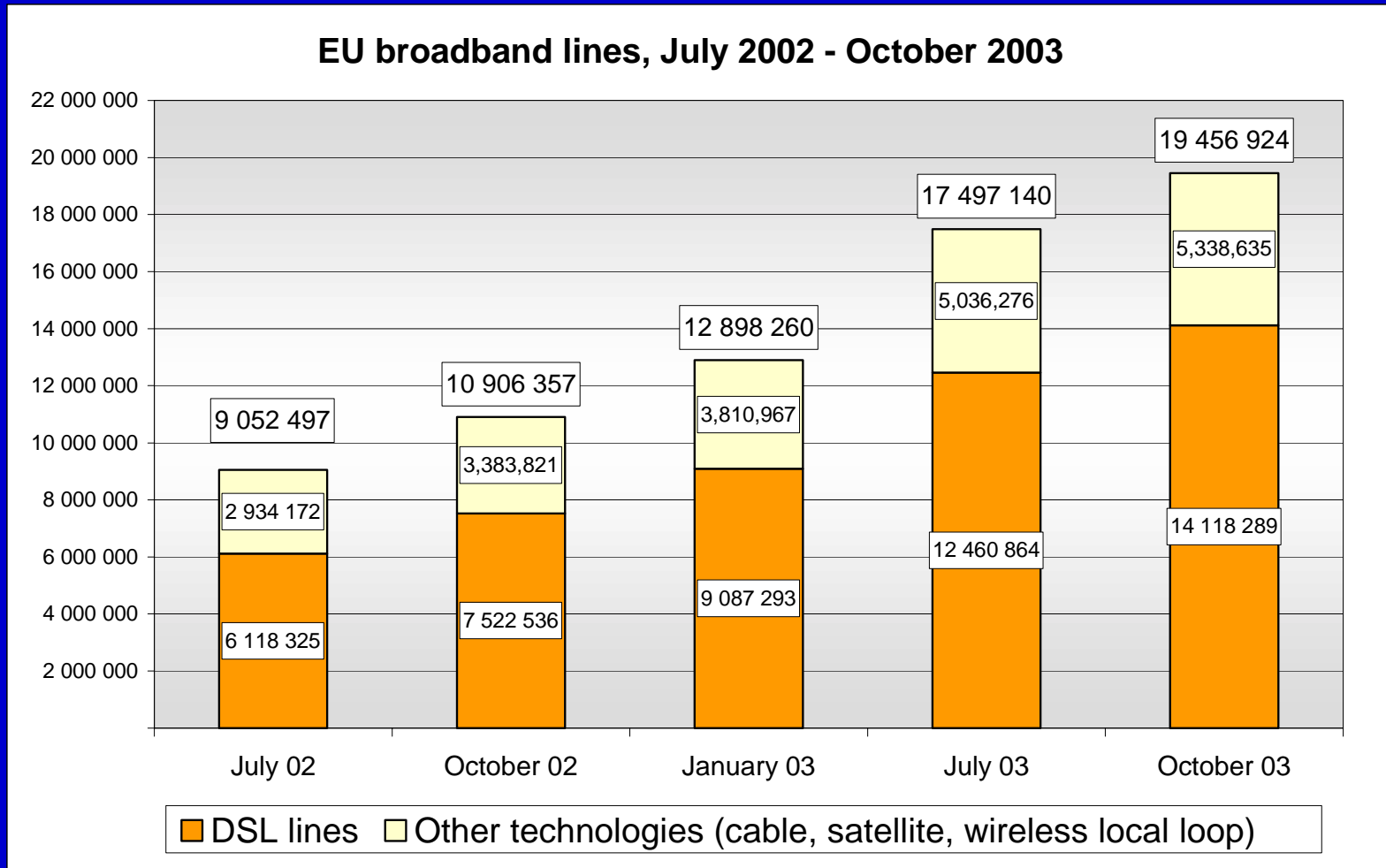
# *Growth in the market*



## *High Speed Internet (Broadband) Access*

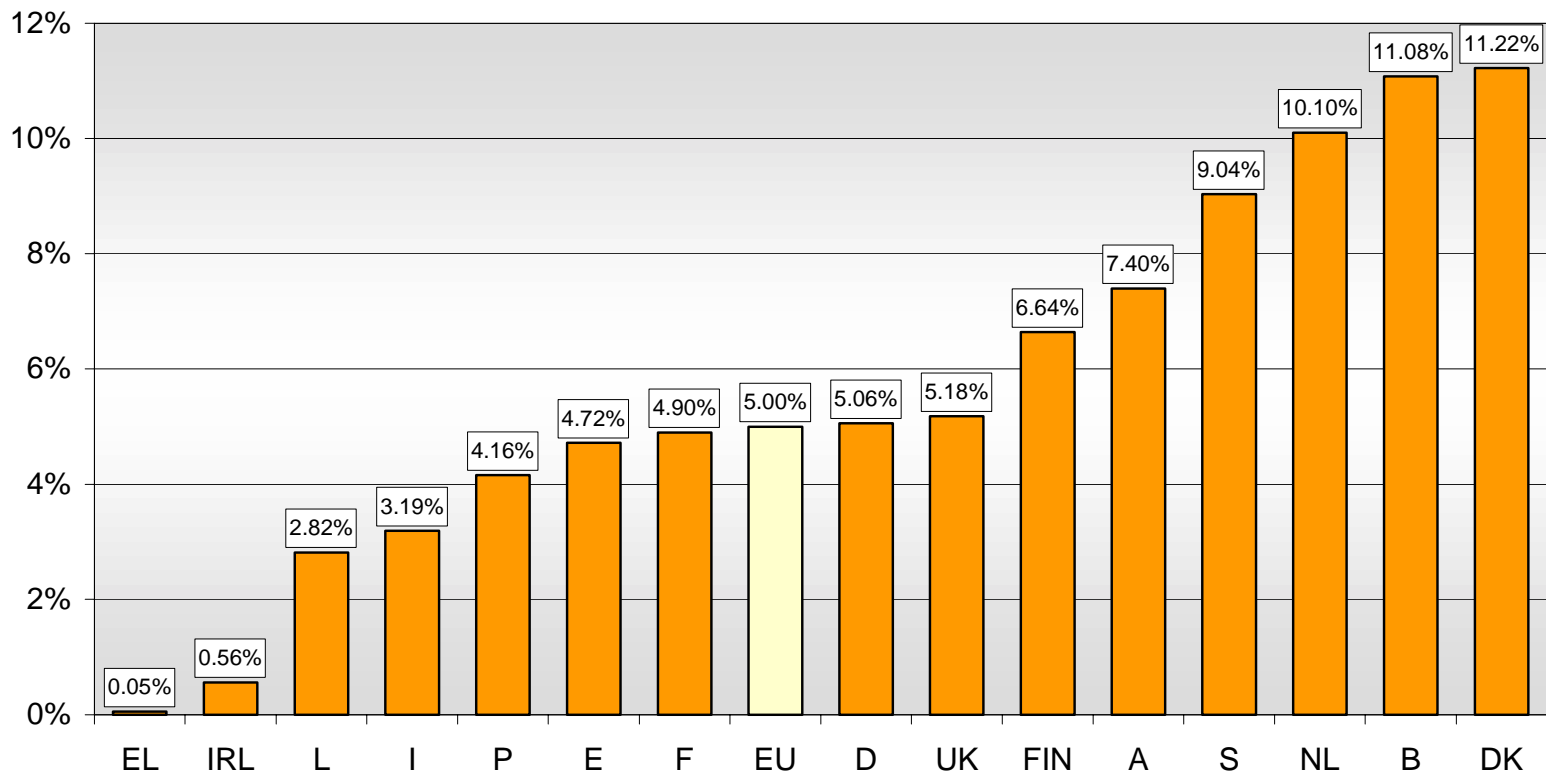
- 19.5 million lines at 1 October 2003
- More than doubled July 2002 to October 2003  
Local loop unbundling - numbers starting to go up

# Significant increase in the number of broadband lines...



## *...and in broadband penetration*

**Broadband penetration rate in the EU, Oct. 2003 (% of population)**



## *Mobile Telephony*

305 million users at August 2003, up from 69 million in 1998 and 194 mill in 2000.

- 81% EU penetration, up from 18% in 1998, 51% in 2000.

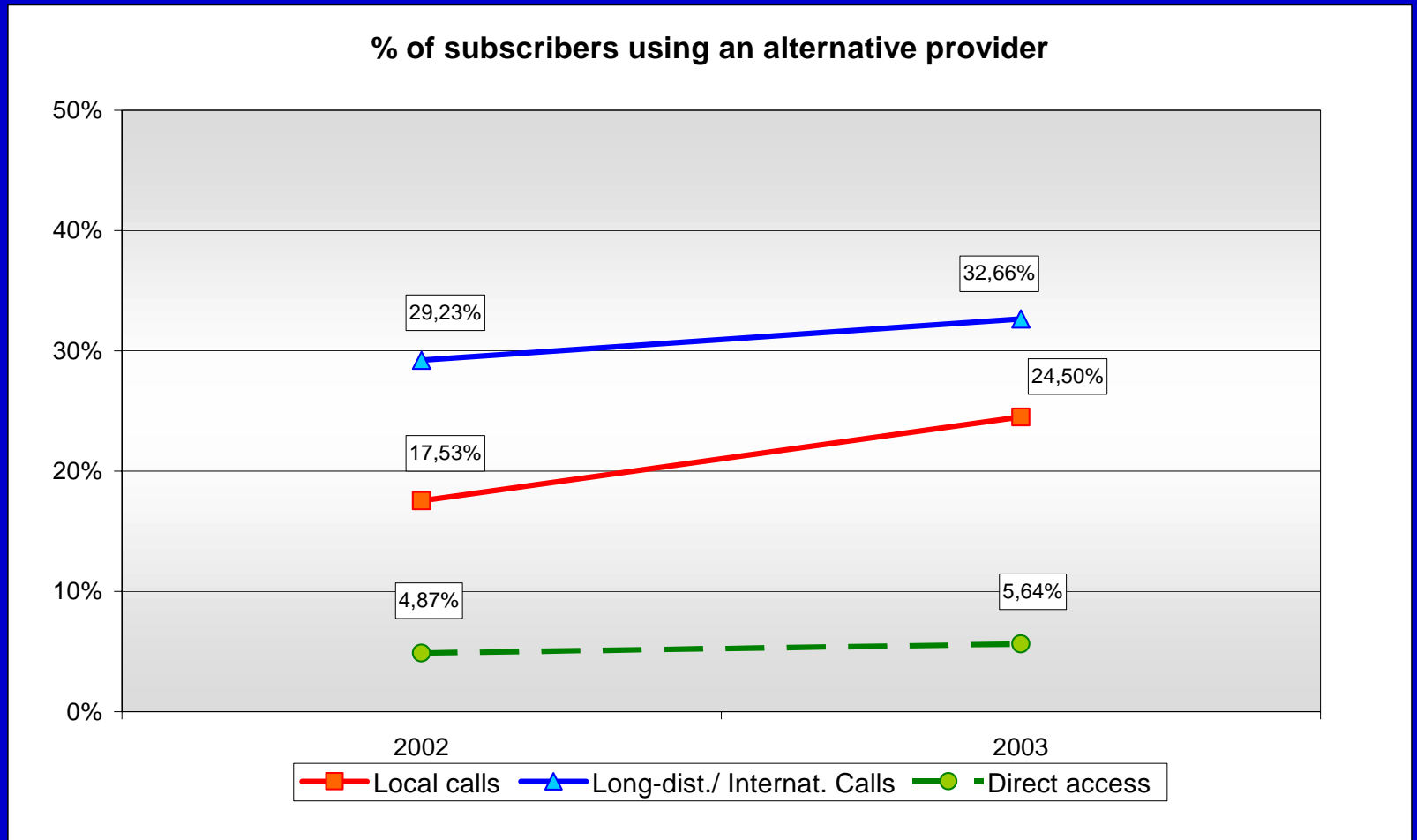
3G services already launched in 4+ Member States

## *Price Reductions Continue*

Consumers continue to benefit on prices  
(fixed voice)

- Average EU consumer spends 13.5% less on national calls every month
- 23% cheaper for national business calls
- International call in EU 45.5% cheaper now than in 1998

# More consumer choice





*...but transposition important*

- **Predictable environment in which investment can thrive**
- **Only 8 Member States have transposed**

**Denmark, Spain, Ireland, Italy,  
Austria, Finland, Sweden and the  
United Kingdom**

# For more information ...

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## **On DG Information Society:**

[http://europa.eu.int/information\\_society/topics/telecoms/index\\_en.htm](http://europa.eu.int/information_society/topics/telecoms/index_en.htm)

## **On the new legislation:**

[http://europa.eu.int/information\\_society/topics/telecoms/regulatory/new\\_rf/index\\_en.htm](http://europa.eu.int/information_society/topics/telecoms/regulatory/new_rf/index_en.htm)