


Procedure file

Basic information		
COS - Procedure on a strategy paper (historic)	1995/2228(COS)	Procedure completed
Mobile and personal communications		
Subject 3.30.05 Electronic and mobile communications, personal communications		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	ECON Economic and Monetary Affairs, Industrial Policy		26/09/1995
		PPE AREITIO TOLEDO Javier	
	Committee for opinion	Rapporteur for opinion	Appointed
	ENER Research, Technological Development and Energy		
	JURI Legal Affairs, Citizens' Rights	The committee decided not to give an opinion.	
	ENVI Environment, Public Health and Consumer Protection	The committee decided not to give an opinion.	
Council of the European Union	Council configuration	Meeting	Date
	Telecommunications	1888	27/11/1995

Key events			
21/06/1995	Non-legislative basic document published	SEC(1995)1382	Summary
18/09/1995	Committee referral announced in Parliament		
27/11/1995	Resolution/conclusions adopted by Council		Summary
28/11/1995	Vote in committee		Summary
28/11/1995	Committee report tabled for plenary	A4-0306/1995	
12/12/1995	Debate in Parliament		
14/12/1995	Decision by Parliament	T4-0619/1995	Summary
14/12/1995	End of procedure in Parliament		
22/01/1996	Final act published in Official Journal		

Technical information

Procedure reference	1995/2228(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 142
Stage reached in procedure	Procedure completed
Committee dossier	ECON/4/06986

Documentation gateway

Non-legislative basic document		SEC(1995)1382	21/06/1995	EC	Summary
Economic and Social Committee: opinion, report		CES1307/1995 OJ C 039 12.02.1996, p. 0047	22/11/1995	ESC	Summary
Committee report tabled for plenary, single reading		A4-0306/1995 OJ C 017 22.01.1996, p. 0005	28/11/1995	EP	
Text adopted by Parliament, single reading		T4-0619/1995 OJ C 017 22.01.1996, p. 0137-0172	14/12/1995	EP	Summary
Committee of the Regions: opinion		CDR0016/1996 OJ C 129 02.05.1996, p. 0011	17/01/1996	CofR	Summary

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OBJECTIVE: to liberalize the mobile telecommunications market (networks and services) in the European Union from 1 January 1996.
CONTENT: the Commission's draft directive seeks to amend Directive 90/388/EEC on competition in the markets for telecommunications services and is based on Article 90 (3) of the EC Treaty. It calls on the Member States to: - abolish all exclusive or special rights in the area of mobile telecommunications; - introduce procedures for granting licences for new services such as those based on DCS 1800 and DECT standards (which may benefit current or future GSM operators in particular); - allocate frequencies on the basis of objective criteria and with minimum restrictions; - abolish all restrictions on the use of networks (own infrastructures and interconnection with existing networks) for mobile telecommunications operators. The draft directive also makes provisions for: - Spain, Greece, Ireland and Portugal to apply for derogations of up to 5 years (as of 1 January 1996); - Luxembourg to qualify for the same derogations for a period of 2 years.?

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The ESC welcomed the Commission proposal as the liberalisation of mobile and personal communication services was one of the major outstanding activities of the Commission's overall strategy to achieve full liberalisation of telecommunications services by 1 January 1998. The ESC expressed to the Commission its concern that competition in the market in telecommunications services be developed in an orderly manner and with regard to the social consequences. It was of the view that the benchmark date of 1 January 1996 should be kept and that those Member States that did have difficulty in meeting that date should be eligible for derogations. With regard to the licensing conditions, the ESC considered that to ensure effective competition in the provision of infrastructures and services, these conditions should be expanded to include: - accounting separation of the business of any operator; - access for mobile operators to the network of any operator on terms at least as favourable as those applicable to any mobile operator owned by it; - likewise with regard to the sale of airtime to any service provider; - prohibition of any unfair cross-subsidies or 'linked' sales or any other matter likely to have an anti-competitive effect. Finally, the ESC was pleased to see that subsequent to the publication of this draft Directive the Commission had launched a special investigation into the effects of radio frequency radiation on the health of mobile phone users.

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?The COUNCIL - NOTES that the Commission requested, on 3 August 1995, any comments from the Council on the draft Commission Directive amending Directive 90/388/EEC as regards mobile and personal communications; sent the President--in--Office of the Council, on 29 September 1995, the draft Commission Directive amending Directive 90/388/EEC as regards the implementation of full competition in telecommunications markets; - NOTES also the public consultation launched by the Commission following the publication of the two draft Directives in the Official Journal of the European Communities; - REAFFIRMS that it is important that the conditions governing the definition of the Community's future policy on the liberalisation of telecommunications services and infrastructures should result from a political agreement based on the compromise of December 1989 and takes note of the Commission's support for this approach; - RECALLS in this connection the political agreement reached at the Telecommunications Council meeting on 17 November 1994, which was given concrete form in the Council Resolution of 22 December 1994 and in the statements made on that occasion; RECALLS that this Resolution recognises in particular the principle of liberalisation of telecommunication infrastructures on 1 January 1998, on the understanding that an additional transitional

period is granted to certain Member States; - POINTS OUT that the Commission must also take account in its approach: of the responsibilities of the European Parliament and the Council for the legislative provisions designed, on the basis of Commission proposals, to establish the European regulatory framework for telecommunications, particularly as regards interconnection rules, universal service provision, access to frequencies for terminal equipment and licensing; of the need for consistency and balance between the processes of harmonisation and liberalisation; of the time that may be required by the Member States for adopting national measures to implement the Directives proposed by the Commission; - EMPHASISES that these conclusions are without prejudice to the Member States' respective positions on the form and content of the draft Directives submitted by the Commission; - NOTES in this connection that, when this text was examined by the Council's subordinate bodies, many questions were put to the Commission by the Member States and that since then most of the Member States have also forwarded written comments on one of the Commission drafts; - CALLS ON the Commission to reply to the questions put to it and to take the utmost account of the positions expressed by the Council and the Member States before taking any further action that it deems appropriate in respect of these initiatives.?

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The committee adopted the report by Mr Javier AREITIO TOLEDO (PPE, E) on the draft directive on mobile and personal communications. With regard to the legal basis chosen (Article 90(3)), enabling the Commission to act alone, the report pointed out that this procedure, while providing a justifiable means of eliminating regulatory obstacles to competition, was nevertheless not intended as a substitute for the legislative instruments laid down by the Treaty, particularly Article 100a, for the purpose of defining the operating rules of a given economic sector in the Union. As regards the substance, the report incorporated five amendments to the Commission's draft. They related to the conditions for granting licences so as to allow a periodic re-evaluation of the availability of frequencies and to ensure that the liberalisation of the European market did not benefit third countries disproportionately, as well as to the improvement in the transparency and smooth operation of interconnection systems. The report stressed that temporary solutions were not sufficient to prevent differing national rules. If the EU hoped to create a genuine, open and dynamic telecommunications market, it should establish genuine Community instruments to bring together the elements of supply that were still divided, and to benefit as many new technologies as possible. ?

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The European Parliament approved this proposal for a Commission directive whilst pointing out that: - the Article 90(3) procedure, while warranted as a means of preventing regulatory barriers to competition, is not intended as a substitute for legislative instruments provided for by the Treaty, and in particular Article 100(a) thereof, in order to determine the rules by which an economic sector of the Union operates; - the provisions of this directive must apply, in particular, to interconnection and interoperability of telecommunications services, to the rules applicable to universal service, and to numbering and directory services; - any exceptions to the opening up of the telecommunications market must be rejected unless it is justified, in an explicit and transparent manner, by the need to carry out structural adjustments. The principal amendments to the proposal concern the following points: - Member States may limit the number of licences only on the basis of essential requirements in relation to the limitation of the frequency spectrum (and in accordance with Article 3(b) of the directive); - without prejudice to future harmonization of national interconnection systems, in the context of ONP, they shall ensure the right of interconnection between the mobile communications systems; similarly, they shall guarantee access to the points of interconnection to the public fixed network in the licences in accordance with rules and by means of interfaces which place no restriction on the full utilization of the potential functions of the interconnected systems; - they shall ensure that interconnection conditions are transparent, in particular in respect of book-keeping by operators running both fixed networks and mobile communications systems, and justified economically by the cost of providing the interconnection service; - where a Member State has already granted DCS 1800 licences at the time of entry into force of the present Directive, the granting of new licences for existing GSM or DCS 1800 operators may take place only in conditions of reciprocity; - with regard to derogations for Member States with less developed networks, requests must include a detailed description of the planned adjustments and a timetable for their implementation. The Commission will take a reasoned decision within a time period of three months on the principle, implications and duration of the additional period to be granted. ?