


# Procedure file

| Basic information  |                                       |
|--|---------------------------------------|
| COD - Ordinary legislative procedure (ex-codecision procedure)<br>Regulation                     | 2000/0185(COD)<br>Procedure completed |
| Telecommunications: unbundled access to local loops of operators having significant market power |                                       |
| Subject<br>3.30.03 Telecommunications, data transmission, telephone                              |                                       |

| Key players                   |  |                                     |            |
|-------------------------------|--|-------------------------------------|------------|
| European Parliament           | Committee responsible  | Rapporteur                          | Appointed  |
|                               | <b>ITRE</b> Industry, External Trade, Research, Energy                           | ELDR <a href="#">CLEGG Nicholas</a> | 22/06/2000 |
| Council of the European Union | Council configuration  | Meeting                             | Date       |
|                               | Telecommunications   | <a href="#">2340</a>                | 04/04/2001 |
|                               | Industry   | <a href="#">2318</a>                | 05/12/2000 |
| European Commission           | Telecommunications   | <a href="#">2293</a>                | 03/10/2000 |
|                               | Commission DG<br><a href="#">Communications Networks, Content and Technology</a> | Commissioner                        |            |

| Key events |   |   |         |
|------------|---|---|---------|
| 12/07/2000 | Legislative proposal published                          | COM(2000)0394   | Summary |
| 08/09/2000 | Committee referral announced in Parliament, 1st reading |   |         |
| 03/10/2000 | Debate in Council                                       | <a href="#">2293</a>  |         |
| 12/10/2000 | Vote in committee, 1st reading                          |   | Summary |
| 12/10/2000 | Committee report tabled for plenary, 1st reading        | <a href="#">A5-0298/2000</a>  |         |
| 25/10/2000 | Debate in Parliament                                    |  |         |
| 26/10/2000 | Decision by Parliament, 1st reading                     | <a href="#">T5-0476/2000</a>  | Summary |
| 22/11/2000 | Modified legislative proposal published                 | COM(2000)0761   | Summary |
| 05/12/2000 | Act adopted by Council after Parliament's 1st reading   |   |         |
| 18/12/2000 | Final act signed  |   |         |

|            |   |                      |  |
|------------|---|----------------------|--|
| 18/12/2000 | End of procedure in Parliament          |                      |  |
| 30/12/2000 | Final act published in Official Journal |                      |  |
| 04/04/2001 | Debate in Council                       | <a href="#">2340</a> |  |

| Technical information      |  |
|----------------------------|--|
| Procedure reference        | 2000/0185(COD)   |
| Procedure type             | COD - Ordinary legislative procedure (ex-codecision procedure) |
| Procedure subtype          | Legislation  |
| Legislative instrument     | Regulation   |
| Legal basis                | EC Treaty (after Amsterdam) EC 095                             |
| Stage reached in procedure | Procedure completed  |

| Documentation gateway   |  |   |            |     |         |
|---|--|---|------------|-----|---------|
| Legislative proposal  |  | <a href="#">COM(2000)0394</a><br><a href="#">OJ C 365 19.12.2000, p. 0212 E</a>   | 12/07/2000 | EC  | Summary |
| Committee report tabled for plenary, 1st reading/single reading |  | <a href="#">A5-0298/2000</a><br><a href="#">OJ C 197 12.07.2001, p. 0009</a>      | 12/10/2000 | EP  |         |
| Economic and Social Committee: opinion, report                  |  | <a href="#">CES1222/2000</a><br><a href="#">OJ C 014 16.01.2001, p. 0099</a>      | 19/10/2000 | ESC |         |
| Text adopted by Parliament, 1st reading/single reading          |  | <a href="#">T5-0476/2000</a><br><a href="#">OJ C 197 12.07.2001, p. 0216-0355</a> | 26/10/2000 | EP  | Summary |
| Modified legislative proposal                                   |  | <a href="#">COM(2000)0761</a><br><a href="#">OJ C 062 27.02.2001, p. 0314 E</a>   | 22/11/2000 | EC  | Summary |

| Additional information |                         |
|------------------------|-------------------------|
| European Commission    | <a href="#">EUR-Lex</a> |

| Final act  |
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| <a href="#">Regulation 2000/2887</a><br><a href="#">OJ L 336 30.12.2000, p. 0004</a> Summary |

## Telecommunications: unbundled access to local loops of operators having significant market power

PURPOSE : to provide a legal base to enforce unbundled access to local loops of operators having significant market power by 31 December 2000. CONTENT : the copper local loop refers to the physical circuit between the customers' premises and the telecommunications operator's local switch in the local access network. This remains one of the least competitive segments of the liberalised telecommunications market. Providing unbundled local loops to all new entrants will increase the level of competition and technological innovation in the local access network, which in turn stimulates the competitive provision of a full range of telecommunications services. This will facilitate the growth of e-commerce and e-business in Europe. This proposal responds to Member States concerns that without a strong legal base upon which to mandate unbundled access to the local loop, they could have difficulty achieving the goals set by the European Council of Lisbon in March 2000. Notified operators must make available to third parties unbundled access to the local loop under transparent, fair, and non-discriminatory conditions. They must provide competitors with the same facilities as they provide to themselves.?

## Telecommunications: unbundled access to local loops of operators having significant market power

The committee adopted the report by Nicholas CLEGG (ELDR, UK) under the codecision procedure (first reading) approving, with a number of amendments, the Commission proposal for a regulation on unbundled access to the local loop. The text proposed by the committee was the result of an ongoing dialogue with the Council, with which Mr Clegg had already begun negotiations. Specific additions requested by the committee and included by the Council in a political agreement of 3 October included enhanced intervention powers for national regulatory authorities, confirmation of the date of 31 December 2000 as the deadline for the regulation to enter into force, confirmation of the possibility of shared unbundling and inclusion of a technical annex detailing the obligations of the incumbent operator. The amendments adopted by the committee reflected a number of points not taken on board in the Council agreement and also sought to clarify the original Commission position. They emphasised that refusal to allow unbundled access would prevent, restrict or distort competition in this sector. They also stressed the need for compensation for beneficiaries (i.e. new market entrants) if the existing "notified operators" failed to meet lead times, so as to avoid procrastination by the former monopolies. By voting in favour of the proposal the committee hoped to ensure the legislation was adopted by the end of the year, as laid down by both the Lisbon and Feira European Councils, which emphasised this part of the telecommunications package as a priority.?

## Telecommunications: unbundled access to local loops of operators having significant market power

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The European Parliament adopted the resolution drafted by Mr Nicholas CLEGG (ELDR, UK) on the Commission's paper on the unbundling of local loop. The report was adopted by 378 to 21, with 41 abstentions. Although the Parliament broadly welcomes the Commission proposal, it was accompanied by 18 amendments. These amendments are designed to ensure that the technical aspects of the proposal are sufficiently detailed to reflect the binding nature of a regulation. This is to guarantee that unbundling is rapidly and effectively implemented. They also emphasise that refusal to allow unbundled access would prevent, restrict or distort competition in this sector. The amendments also include a list of minimum information that has to be given to new market entrants by incumbent operators. The role of the national regulatory authorities is also given in detail. In addition, the Parliament stresses the need for compensation for new market entrants if incumbent "notified operators" fail to meet lead times, so as to avoid procrastination by former monopolies. Finally, the date of the 31 December 2000 has been adopted as the deadline for the regulation to enter into force. Moreover, Commissioner Erkki Liikanen declared that he accepted almost everything in the report and that the Commission could fully support all 18 amendments.?

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The amended proposal incorporates 18 amendments proposed by the European Parliament to the initial proposal presented by the Commission. The Commission agreed with the European Parliament and accepted in full the 18 amendments, amending its proposal accordingly. The 18 amendments seek to ensure that the technical aspects of the proposal are sufficiently detailed to be commensurate with the binding nature of a Regulation, and so guarantee that unbundling is rapidly and effectively implemented. Therefore, the amended proposal now includes more precise technical definitions and detailed requirements for notified operators, and the national regulatory authorities, to clarify their respective obligations and responsibilities.?

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**PURPOSE :** to adopt a regulation on unbundled access to the local loop. **COMMUNITY MEASURE :** Regulation 2887/2000/EC of the European Parliament and of the Council on unbundled access to the local loop. **CONTENT :** this Regulation aims at intensifying competition and stimulating technological innovation on the local access market, through the setting of harmonised conditions for unbundled access to the local loop, to foster the competitive provision of a wide range of electronic communications services. It shall apply without prejudice to the obligations of the notified operators to comply with the principle of non-discrimination, when using the fixed public telephone network in order to provide high speed access and transmission services to third parties in the same manner as they provide for their own services or to their associated companies, in accordance with Community provision. Notified operators shall publish from 31 December 2000, and keep updated, a reference offer for unbundled access to their local loops and related facilities. The offer shall be sufficiently unbundled so that the beneficiary does not have to pay for network elements or facilities which are not necessary for the supply of its services, and shall contain a description of the components of the offer, associated terms and conditions. They shall also from 31 December 2000 meet reasonable request from beneficiaries for unbundled access to their local loops and related facilities, under transparent, fair and non-discriminatory conditions. With regard to the national regulatory authority, it shall ensure that charging for the unbundled access to the local loop fosters fair and sustainable competition. This authority shall have the power to : - impose changes on the reference offer for unbundled access to the local loop and related facilities, including prices, where such changes are justified; and - require notified operators to supply information relevant for the implementation of this regulation; - the national regulatory authority may, where justified, intervene on its own initiative in order to ensure non-discrimination, fair competition, economic efficiency and maximum benefit for users; - when the national regulatory authority determines that the local access market is sufficiently competitive, it shall relieve the notified operators of the obligation laid down in Article 3(3) for the prices to be set on the basis of cost-orientation; - disputes between undertakings concerning issues included in this regulation shall be subject to the national dispute resolution procedures. **ENTRY INTO FORCE :** 01/01/2001.?