

COM(2007)0696 - Review of the regulatory framework for electronic communications

This Communication reports on the results of Commission's Review of the regulatory framework for electronic communications and explains the main policy changes proposed by the Commission.

The EU regulatory framework for telecommunications was created in the 1990s in order to open up national markets to competition, markets which, until then, were dominated by state-owned monopolies. This process culminated in the liberalisation of national markets in 1998. A further step was taken in 2002 with the adoption of the current set of rules, which take account of the convergence of technologies and apply to all forms of electronic communications.

In 2006 and 2007, the Commission reviewed the functioning of the EU framework in against its main objectives, which are to promote competition, to consolidate the internal market and to promote the interests of the citizen. In the light of technological and market developments, especially improved competition in some areas, but also continued dominance by one or a few operators on a number of key markets as well as a continued lack of a single market for electronic communications and increasing divergence of regulatory approaches in the enlarged EU, a substantial reform of the regulatory framework is considered necessary by the Commission.

The 2007 Reform Proposals of the Commission can be grouped under the three pillars of better regulation, completing the single market and connecting with citizens.

1) Better regulation for competitive electronic communications: the 2007 Reform Proposals first of all aim to simplify and improve the quality of the regulatory environment, by reducing ex-ante regulation where market developments allow and by simplifying the market review procedure. The Commission also recommends better regulation of radio spectrum by simplifying access to and use of this scarce resource and moving to a more market-oriented allocation of spectrum. The Commission's legislative proposals strengthen the principles of technology and service neutrality, and create a mechanism to designate certain bands where, across the EU, rights acquired to use spectrum are allowed to be traded (secondary trading). Regulatory provisions to encourage licence-free spectrum use and to reinforce the coordination of conditions for spectrum authorisations are also proposed.

2) The Single Market for electronic communications: Europe does not yet have a single market for electronic communications networks or services. Implementation of the EU rules via 27 separate national regulatory systems has resulted in two major drawbacks: the artificial segmentation of markets on a national basis and a fundamental lack of consistency in the way the EU rules are applied. In order to address this lack of a single market, the Commission proposes the establishment of an independent European Electronic Communications Market Authority, which will build on the combined expertise of NRAs and improve the existing coordination mechanisms. At the same time, it is proposed to strengthen the independence and enforcement powers of national authorities, which will contribute to the effective and speedy implementation of the regulatory framework.

3) Connecting with citizens: In a rapidly changing market environment, new measures are needed in order to preserve and enhance consumer protection and user rights and ensure that consumers can reap the full benefits of a dynamic and increasingly borderless communications market. The Commission's proposals aim, in particular, to: 1) improve the transparency of information from service providers to consumers, including information on supply conditions and on tariffs; 2) set a time limit of one working day for 'porting' (transferring) a telephone number following a change of fixed or mobile operator; 3) enhance the implementation of '112' emergency services in the EU, in particular by ensuring more efficient access to caller location information; 4) enable NRAs to impose minimum requirements for the quality of services based on standards drawn up at Community level. The Reform Proposals will also ensure that users with disabilities, elderly users and people with special needs are not prevented from using and accessing eCommunications services.

The Commission believes that the 2007 Reform Proposals should become law before the end of 2009.