## INTERNATIONAL TELECOMMUNICATION UNION

# Telecommunication Development Bureau

**EUROPE** and CIS REGION

# Seminar on Universal Access and Services

Bratislava, Slovak Republic, 5-7 March 2002

**European Commission Contribution** 



#### **EUROPEAN COMMISSION**

Directorate-General Information Society

Communications Services: Policy and Regulatory Framework International aspects

The Europa web site through which much useful material can be found either directly or via links to other sites. Particular attention should be drawn to the following items:

Telecommunications policy

http://europa.eu.int/information\_society/topics/telecoms/regulatory/index\_en.htm

This site contains, for example, all telecommunications Directives and other current documents related to them.

Competition directorate web site:

http://europa.eu.int/comm/competition/liberalization/legislation/#telecom

This site contains the Liberalisation Directives and related documents.

In addition to these sources, it is instructive to consider the effect of the WTO agreement on trade in telecommunications services. This agreement is already in effect and its signatories are bound to implement certain regulatory requirements whether or not they join the EU. Those that do join the EU will automatically take on the commitments that the EU has made in the GATS. Details of commitments made by individual signatories can be found at:

The WTO's GATS info point <a href="http://gats-info.eu.int/">http://gats-info.eu.int/</a>

In the case of countries that are associated with the EU (ie the candidates countries), there are already certain existing treaty obligations, for example to approximate their laws to those of the EU and to uphold the principles of the competition rules of the EU Treaties. This effectively mandates liberalisation in the telecommunications sector and prevents divergent measures being taken. Similar provisions will be contained in the Stability and Association Agreements that are being offered to West Balkan countries.

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The EU presentations will be mainly directed to the theme of what does the EU expect.

In considering candidate countries the Commission expects to find governments that actually agree with the telecommunications policy of the EU in its entirety because it is a policy designed to benefit all of the individual national markets and also the European market as a whole. It follows logically from this belief that any European country, whether or not it joins the EU, should implement the *acquis communautaire* for telecommunications as fast as it possibly can because that is the best way to develop its telecommunications infrastructure and services sector.

The Commission is therefore delighted when it finds candidate countries that get on and implement as much of the *acquis* as they can wherever the necessary legal powers for the government to do so already exist. Conversely, the Commission is perplexed when it finds applicant countries where the government has some or all of the necessary powers but does not use them or when they propose to legislate for new powers but at the same time announce their intention not to implement the *acquis* until later or until forced by the imminent prospect of entry to the EU. Complying with telecommunications *acquis* is not merely part of the price of entry to the EU, it is the price of having a good quality and efficient telecommunications sector which is vital for the economy at large.

Please also find a list of relevant documents that can be found on the EU or other web-sites. The precise address of each document is given.

## **Documents relevant to Universal service**

- 1. On 14<sup>th</sup> February 2002 the EU adopted a new package of Directives governing the regulation of the Telecommunications sector and one of these covers universal service in particular along with consumer protection. These will be communicated to candidate country authorities very soon and, in the meantime, the final text in certain languages only has been put on our Europa web-site. see below, where addresses are given for all the documents and sites mentioned here.
- 2. For some years, we have been concerned to understand the possible economic and commercial implications of EU universal service requirements for candidate countries. We have already made one important contribution to this subject in the form of a study that we launched in 2000. The results were presented to candidate countries, including Latvia, at a conference in Prague last June and full copies of the report were afterwards distributed to all candidate countries. This is the Cullen report that is on the agenda of the seminar.
- 3. The following official documents relate to the situation in the EU:
  - The annual implementation reports, the most recent being the 7<sup>th</sup> published last November.
  - First Monitoring Report on Universal Service in Telecommunications in the European Union, 1998.
  - Assessment criteria for National Schemes for the Costing and Financing of Universal Service in telecommunications and Guidelines for Member States on Operation of such Schemes, COM(96) 608, 27.11.1996
  - Universal Service for Telecommunications in the perspective of a fully liberalised environment, COM(96) 73, 13.03.1996

- 4. There have also been a number of studies focused on the EU as a whole:
  - Costing and Financing Universal Service Obligations in a Competitive Telecommunications Environment in the European Union, WIK, October 1997.
  - Study on the re-examination of the scope of universal service in the telecommunications sector of the European Union, in the context of the 1999 Review, WIK, April 2000.
  - Universal service Atlas.
- 5. Most recently, there have been two decisions of the European Court of Justice relating to the correct interpretation of the *acquis* as it concerns the costing and funding of subsidies to maintain universal service. The case references are C-384/99 Commission v. Belgium, 30.11.2000 and C-146/00 Commission v. France, 06.12.2001. A paper summarising the effect of these important decisions was discussed in Brussels on 20<sup>th</sup> February by the ONP Committee at which candidate countries have observer status.
- 6. There may also be some studies carried out by EU Members states. The most convenient source for such material is probably the web-site maintained on behalf of the Independent Regulators Group.

#### **Internet addresses**

http://europa.eu.int/information\_society/index\_en.htm

http://europa.eu.int/information\_society/topics/telecoms/regulatory/new\_rf/index\_en.htm

http://europa.eu.int/information\_society/topics/telecoms/international/news/text\_en.htm (Cullen report in sections near the bottom of the page under the heading "EU Enlargement").

http://europa.eu.int/information\_society/topics/telecoms/implementation/index\_en.htm

http://europa.eu.int/ISPO/infosoc/telecompolicy/en/unisrvmain.pdf

http://europa.eu.int/ISPO/infosoc/telecompolicy/en/com96608.htm

http://europa.eu.int/ISPO/infosoc/telecompolicy/en/d8.htm

http://europa.eu.int/ISPO/infosoc/telecompolicy/en/dbl\_1097.pdf

http://europa.eu.int/ISPO/infosoc/telecompolicy/en/wikd3c.pdf

http://www.uso-atlas.org/IE1x7/HOME.HTML

http://irgis.icp.pt/site/en/members.asp

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Enclosed:

- $\bullet$  Extracts from the Regular Report of the EUROPEAN COMMISSION on the progress towards accession (adopted  $13^{th}$  November 2001)
- New Directive on Universal service and users' rights
- Seventh Report on the Implementation of the Telecommunications regulatory package, COM(2001) 706, 26.11.2001