



IMPLEMENTATION OF THE EU TELECOM FRAMEWORK

Overview across EU and accession countries

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Transposition into national law



EU Countries	Ministry draft published	Bill adopted by Government	Adoption by Parliament	Entrv into force
Austria	July 12, 2002	June 17, 2003	July 2003	Aug. 20, 2003
Belgium				
Denmark	Oct. 23, 2002	Jan. 29, 2003	June 4, 2003	July 25, 2003
Finland	May 6, 2002	Sept. 5, 2002	Feb. 7, 2003	July 25, 2003
France	April 1, 2003	July 31, 2003		
Germany	April 30, 2003	Oct. 15, 2003		
Greece	June 18, 2003			
Ireland	Jan. 3, 2003	No	No – Statutory Instruments	July 25, 2003
Italy	No	May 23, 2003	July 31, 2003 (by Gvt)	September 16, 2003
Luxembourg	No	June 2003		
Netherlands	Nov. 8, 2002	April 17, 2003		
Norway	June 20, 2002	April 4, 2003	June 17, 2003	July 25, 2003
Portugal	-	Sept. 18, 2003		
Spain	Jan. 2003	March 7, 2003	Oct. 16, 2003	
Sweden	July 8, 2002	March 27, 2003	June 5, 2003	July 25, 2003
UK	May 7, 2002	Nov. 19, 2002	July 17, 2003	July 25, 2003

Transposition into national law



Accession countries joining in May 2004

Country	Ministry draft published	Bill adopted by Government	Adoption by Parliament
Cyprus			
Czech Republic	Aug. 4, 2003		
Estonia			
Hungary	June 10, 2003		
Latvia			
Lithuania			
Malta			
Poland			
Slovakia	June 3, 2003		
Slovenia	Sept. 15, 2003		

Transposition into national law



Accession countries joining in 2007 and Turkey

Country	Ministry draft published	Bill adopted by Government	Adoption by Parliament	Entry into force
Bulgaria				2007
Romania	Law No. 676 of on the processing of personal data and the protection of privacy in the telecommunications sector			Nov. 21, 2001
	Government Emergency Ordinance No. 34 on the access to the public electronic communications networks and to the associated infrastructure, as well as their interconnection			Jan. 30, 2002
	Government Emergency Ordinance No. 79 on the general regulatory framework for communications			June 13, 2002
	Law No. 304/2003 on universal service and users' rights			July 31, 2003
Turkey				

Market analysis



EU Countries	Data collection for market analysis	National consultation on market analysis results	European consultation on market analysis results
Austria	No	No	No
Belgium	No	No	No
Denmark	No	No	No
Finland	Completed	Underway	No
France	Completed	No	No
Germany	Underway	No	No
Greece	Completed	No	No
Ireland	Completed	No	No
Italy	Completed	No	No
Luxembourg	No	No	No
Netherlands	No	No	No
Norway	Completed	Underway	No
Portugal	Underway	Underway	No
Spain	No	No	No
Sweden	Completed	Underway	No
UK	Completed	Completed	Underway

2003: no big bang



- ➔ No rolling back of regulation
- ➔ NRAs have anticipated the implementation of the new package
 - ⇒ Bitstream
 - ⇒ Mobile termination on individual networks
 - ⇒ licensing arrangements in F and Ge
 - ⇒ MNP



What is regulated?

1998 package

1999 - 2002
("Improvements to the '98 package)

2003 package

4 markets:

- Voice Telephony
- Leased Lines (retail)
- Fixed Interconnection
- Mobile Interconnection

- LLU
- Bitstream
- Part Circuits
- Mobile Termination (Termination on individual networks)

18 markets:

- 1998 Package Markets
- Markets regulated from 1999 or later
- New emphasis on Mobile Markets
- Broadcasting Transmission

Availability of carrier selection



Country	CS included in RIO ?	CS offered in practice ?
Bulgaria	Yes	No
Cyprus	?	No
Czech Republic	Yes	Yes
Estonia	Yes	Yes
Hungary	Yes	Yes
Latvia	No	No
Lithuania	Yes	No
Malta	?	No
Poland	No RIO	Yes
Romania	Yes	No
Slovakia	Yes	No
Slovenia		No
Turkey	No	No



Tariff rebalancing

- A prerequisite to liberalisation

- Obstacles
 - ⇒ Political constraints (as in the West)
 - ⇒ Affordability – elasticity of the demand
 - ⇒ Fixed to mobile substitution



Market analysis and accession

- The EU recommendation listing the « 18 markets » was developed for the EU

- Relevant markets may be different in CEE countries
 - ⇒ strong fixed to mobile substitution
 - ⇒ a single retail market for fixed & mobile telephony

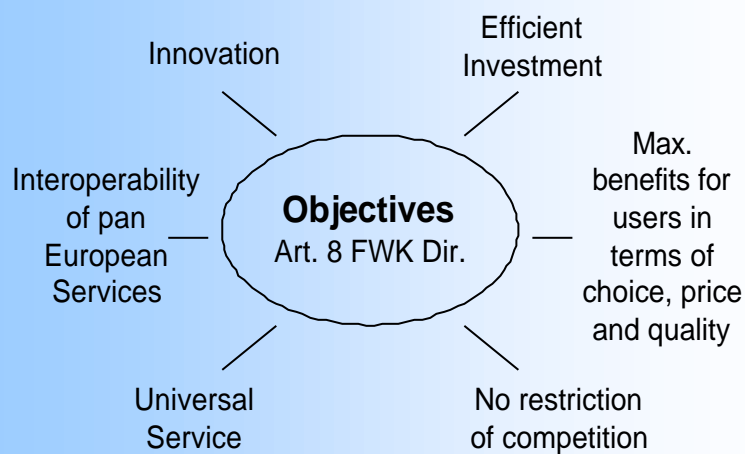


Universal service

- PAY OR PLAY?
- Which role for mobile operators?
- Service to a community vs. Service to individuals



Harmonised objectives?





ERG challenges

- Resist the danger of using telecom regulation as another tool for industrial policy
- Not picking winners and losers
- Challenge for ERG to defend pure economic analysis



Price squeeze

- 'equally-efficient-operator' test
- VERSUS
- reasonably efficient entrant test

