Implementation of Community telecommunications rules. 5th report 1999

2000/2072(COS) - 10/11/1999 - Non-legislative basic document

PURPOSE : To present a report on the state of implementation of the current telecommunications regulatory framework. CONTENT : This is the fifth report on the telecom regulatory framework. It assesses the extent to which the harmonisation directives have been transposed and analyses the way in which the national rules apply those principles in practice. It gives an overview of the state of the telecommunications services markets in Member States. It then identifies the main remaining barriers to the achievement of a single European market. The key conclusion is that, less than 2 years after the introduction of full competition, the regulatory framework drives telecommunications services markets in the Member States with an accelerating growth rate, large numbers of market entrants and falling tariffs. The national markets will have increased 7% on 1998 and the value of mobile services by around 16%. There is a marked increase in the number of operators both in the international and the domestic calls market. The number of Internet hosts per thousand inhabitants is estimated to have grown at an average of 125% across the Union from January 1998 to July 1999. Both residential and business tariffs are down in most Member States. There remain important problems to be resolved: - Barriers to the single market include the comparatively low level of harmonisation in the Community licensing and interconnection regimes and the way in which Community rules are implemented at national level. - The role of national regulatory authorities is impeded by disparities in their powers and resources, the way in which regulatory tasks are shared with other bodies, and differences in the procedures in place. They need to be more active particularly in seeking interconnection agreements. - Failure to implement the framework for cost accounting in many Member States seems to be contributing to excessive price squeezes, in particular between retail and interconnections tariffs. - There is a lack of competition in the local access market in all Member states, although steps are being taken to remedy this. - The Commission finds it difficult to assess whether voice telephony tariffs have actually been rebalanced. Rebalancing is necessary to avoid price squeezes. - There are disparities in consumer protection cross the Member States. - The current framework does not explicitly address issues such as special schemes for Internet access.