

Basic information	
1995/0207(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Directive	Procedure completed
Telecommunications: interconnection, universal service and interoperability of networks and services, open network provision ONP Amended by 1997/0250(COD) Subject 2.40.02 Public services, of general interest, universal service 3.30.03.04 Telecommunication networks	

Key players			
European Parliament	Former committee responsible		Former rapporteur
			Appointed
	ECON	Economic and Monetary Affairs, Industrial Policy	READ Imelda Mary (PSE)
			06/04/1995
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			06/04/1995
	Former committee for opinion		Former rapporteur for opinion
			Appointed
	ENER	Research, Technological Development and Energy	VAN VELZEN W.G. (PPE)
			17/10/1995
Council of the European Union	RELA	External Economic Relations	MANN Erika (PSE)
			17/10/1995
	JURI	Legal Affairs, Citizens' Rights	The committee decided not to give an opinion.
	ENVI	Environment, Public Health and Consumer Protection	WHITEHEAD Phillip (PSE)
			21/11/1995
	Council configuration		Meetings
			Date
	General Affairs		2011
			1997-06-02
	Competitiveness (Internal Market, Industry, Research and Space)		1970
			1996-11-26
	Transport, Telecommunications and Energy		1937
			1996-06-19
	Telecommunications		1888
			1995-11-27
	Telecommunications		1910
			1996-03-21

Key events			
Date	Event	Reference	Summary
19/07/1995	Legislative proposal published	COM(1995)0379 	Summary
18/09/1995	Committee referral announced in Parliament, 1st reading		
27/11/1995	Debate in Council		
25/01/1996	Vote in committee, 1st reading		Summary
25/01/1996	Committee report tabled for plenary, 1st reading	A4-0017/1996	
13/02/1996	Debate in Parliament		Summary
20/03/1996	Modified legislative proposal published	COM(1996)0121 	Summary
18/06/1996	Council position published	06901/2/1996	Summary
20/06/1996	Committee referral announced in Parliament, 2nd reading		
09/09/1996	Vote in committee, 2nd reading		Summary
09/09/1996	Committee recommendation tabled for plenary, 2nd reading	A4-0276/1996	
18/09/1996	Debate in Parliament		Summary
26/11/1996	Parliament's amendments rejected by Council		Summary
19/03/1997	Formal meeting of Conciliation Committee		
20/03/1997	Final decision by Conciliation Committee		
29/04/1997	Joint text approved by Conciliation Committee co-chairs	3610/1997	
21/05/1997	Report tabled for plenary, 3rd reading	A4-0171/1997	
02/06/1997	Decision by Council, 3rd reading		
10/06/1997	Debate in Parliament		Summary
30/06/1997	Final act signed		
30/06/1997	End of procedure in Parliament		
26/07/1997	Final act published in Official Journal		

Technical information	
Procedure reference	1995/0207(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Directive
Amendments and repeals	Amended by 1997/0250(COD)
Legal basis	EC Treaty (before Amsterdam) E 100A
Stage reached in procedure	Procedure completed
Committee dossier	CODE/4/08489

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, 1st reading/single reading		A4-0017/1996 OJ C 047 19.02.1996, p. 0005	25/01/1996	
Text adopted by Parliament, 1st reading/single reading		T4-0050/1996 OJ C 065 04.03.1996, p. 0060-0069	14/02/1996	Summary
Committee recommendation tabled for plenary, 2nd reading		A4-0276/1996 OJ C 320 28.10.1996, p. 0004	09/09/1996	
Text adopted by Parliament, 2nd reading		T4-0463/1996 OJ C 320 28.10.1996, p. 0126-0138	19/09/1996	Summary
Report tabled for plenary by Parliament delegation to Conciliation Committee, 3rd reading		A4-0171/1997 OJ C 182 16.06.1997, p. 0003	21/05/1997	
Text adopted by Parliament, 3rd reading		T4-0290/1997 OJ C 200 30.06.1997, p. 0060-0067	11/06/1997	Summary

Council of the EU

Document type	Reference	Date	Summary
Council position	06901/2/1996 OJ C 220 29.07.1996, p. 0013	18/06/1996	Summary

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(1995)0379  OJ C 313 24.11.1995, p. 0007	19/07/1995	Summary
Modified legislative proposal	COM(1996)0121  OJ C 178 21.06.1996, p. 0003	20/03/1996	Summary
Commission communication on Council's position	SEC(1996)1122 	14/06/1996	
Commission opinion on Parliament's position at 2nd reading	COM(1996)0535 	11/11/1996	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES0249/1996 OJ C 153 28.05.1996, p. 0021	29/02/1996	Summary
CSL/EP	Joint text approved by Conciliation Committee co-chairs	3610/1997	29/04/1997	

Additional information		
Source	Document	Date
European Commission	EUR-Lex	

Final act		
Directive 1997/0033 OJ L 199 26.07.1997, p. 0032		Summary

Telecommunications: interconnection, universal service and interoperability of networks and services, open network provision ONP

1995/0207(COD) - 26/11/1996

The Council established that it was not in a position to take over all of Parliament's amendments to its common position of 17 June 1996 concerning the proposal for a directive relating to interconnection in the telecommunications sector. The Conciliation Committee would therefore be convened under the terms of Article 189b of the Treaty.

Telecommunications: interconnection, universal service and interoperability of networks and services, open network provision ONP

1995/0207(COD) - 11/06/1997 - Text adopted by Parliament, 3rd reading

In adopting the report by Mrs Imelda READ (PSE, UK), the European Parliament approved the joint text of the Conciliation Committee of the European Parliament and the Council on the directive on interconnection and interoperability of telecommunications networks and services. The compromise mainly concerned the following points: - financing of universal service: it was agreed that the Integrated Services Digital Network (ISDN) would not be subject to a universal service requirement at this stage, but that such a requirement could be extended to it later; - facilitating market entry for new operators: national regulatory authorities will be able to lay down in advance conditions governing the negotiation of interconnection agreements. Such negotiations must be equitable to new entrants to the market; - interconnection charges: in the case of organizations 'which have significant market power', charges for interconnection must be transparent and based on real costs. National regulatory authorities may request an organization to justify and where appropriate adjust charges and other aspects of their offers; - the setting-up of a European Regulatory Authority: the possibility of setting up such an Authority is to be considered when the Directive is reviewed, taking into account the preparatory work of the Commission, which is to report before the end of 1999; - coordination of positions in international bodies: the Member States must seek to coordinate their positions in international forums and organizations where decisions are taken on numbering; - settlement of crossborder disputes: a procedure for resolving disputes concerning interconnection involving national regulatory authorities is provided for. At the request of one of the parties to a dispute, these authorities must coordinate their efforts to arrive at a solution which strikes a fair balance between the legitimate interests of the parties and respects the national rules applicable. The solution must be arrived at within 6 months; - portability of subscriber numbers: on this controversial subject, the Commission agreed to accept an amendment by Parliament whereby, until it becomes possible for subscribers to retain the same number when changing suppliers, the subscriber should be able to arrange, in return for a reasonable charge, that all calls made to him at the previous company will be transferred to him or that the caller will be informed of his new number without charge. The Council undertook to study the matter on the basis of a Commission proposal. The solution could be incorporated in the text of the directive on voice telephony which is currently being revised; - as regards commitment and on the basis of the modus vivendi for informing Parliament, the same solution was adopted as had been negotiated for the directive on voice telephony.

Telecommunications: interconnection, universal service and interoperability of networks and services, open network provision ONP

1995/0207(COD) - 30/06/1997 - Final act

OBJECTIVE: to permit new entrants to the market to interconnect their equipment to that of existing market operators. This measure is needed for the effective liberalisation of the telecommunications sector on 1 January 1998. COMMUNITY MESURE: European Parliament and Council Directive 97/33 /EC relating to interconnection in the telecommunications sector with a view to ensuring a universal service and interoperability by application of the principles for the provision of an open network. CONTENT: the directive lays down common rules for the interconnection of fixed and mobile networks

and for the interoperability of services, which are intended to ensure the provision of a universal service in a competitive environment. The main provisions of the directive are as follows: - Member States must remove all restrictions to the negotiation of interconnection agreements between operators; - obligation for operators having significant market power, that is those having a greater than 25% share of the market, to accept reasonable requests for interconnection to their network; - laying down of conditions governing the financing systems which Member States may introduce in order to share the cost of providing the universal service. It is important to note that the Integrated Services Digital Network (ISDN) is not, at this stage, the subject of obligation for a universal service, but that it may be incorporated at some subsequent date: - the national regulatory authorities may lay down in advance the conditions governing the negotiation of interconnection agreements. Such a negotiation must be equitable for new entrants to the market; - interconnection agreements may be added to conditions which are intended to protect essential requirements, such as the security of operations which are handled on the network, the interoperability of services and the protection of data; - interconnection charges are laid down in a transparent manner, based on actual costs; - Member States must guarantee an adequate provision of numbers and ranges of numbers for public telecommunications services. In addition, they must ensure as soon as possible (and at the very latest by 1 January 2003 in major population centres) that portability of subscriber numbers, a service by which the subscriber keeps the same telephone number even when changing supplier, is provided; - a procedure for settling crossborder disputes concerning interconnection involving national regulatory authorities is provided for; - the question of creating a European Telecommunications Authority is to be examined during the review of the directive, and by the 21 December 1999 at the latest. ENTRY INTO FORCE: 15/08/1997 DEADLINE FOR TRANSPOSITION: 31/12/1997

Telecommunications: interconnection, universal service and interoperability of networks and services, open network provision ONP

1995/0207(COD) - 19/09/1996 - Text adopted by Parliament, 2nd reading

Parliament unanimously adopted the recommendation for second reading by Mrs Imelda READ (PSE, UK) on the Directive concerning interconnection and interoperability of telecommunications networks and services. At second reading the EP retabled the amendments which had not been taken over by the Council, relating to the costing and financing of universal service, the cost of interconnection, environmental protection, numbering, and the setting up of a European Regulatory Authority. Furthermore, Parliament stressed the need to ensure a European character for the functioning of the telecommunications networks, which means reforming the institutional framework proposed by the Council, and a consumer protection guarantee by way of number portability (continuity of numbering and rerouting of old numbers when a user changes supplier). In addition, the EP would like to see the introduction of a 'Pay or play' system in universal service, whereby the provision of universal service would not be confined to the former monopoly. New entrants capable of providing such a service could be exempted from the financial contribution required of the operators.

Telecommunications: interconnection, universal service and interoperability of networks and services, open network provision ONP

1995/0207(COD) - 29/02/1996 - Economic and Social Committee: opinion, report

While welcoming the Commission's proposal, the ESC makes a number of points that need to be taken into account: - the need to ensure that differences in national rules are kept to a minimum on the basis of a legislative framework applicable across the EU; - the proposed Directive is rather ambiguous, especially concerning the definition of public networks and services; - the issues of interconnection and interoperability are juxtaposed with the provision of universal services, which may in future lead to problems when operators have to interpret the provisions in practice. The ESC takes the view, therefore that it would be better if a Directive of this importance were clearer and actually defined and delimited the terms used. Its structure should also be more methodical and logical. The Committee also hopes that the current process of liberalizing telecommunications in the EU will be founded on efficiency, competitiveness, solidarity, while at the same time respecting the "European Social Model" and ensuring adequate protection for consumers. Regarding the Commission's more specific proposals, the Committee feels, inter alia, that the regulatory framework for the telecommunications sector needs to be balanced, non-discriminatory and should maintain equality of opportunity for all market players. It calls for the Commission to propose codes of conduct which set objective limits for fair and unfair competition, and for more clarity in references to universal service, although it is aware that the Commission will publish a communication - to which it looks forward with interest - on this subject in the near future. The Committee also suggests that the idea of organizations which have "significant market power" should be defined at Community level, taking account of existing Community case-law in this area.

Telecommunications: interconnection, universal service and interoperability of networks and services, open network provision ONP

1995/0207(COD) - 19/07/1995 - Legislative proposal

OBJECTIVE: the proposal for a directive from the European Parliament and the Council aims to permit new entrants to the market to interconnect their equipment to that of existing market operators. This measure is needed for the effective liberalization of the telecommunications sector on 1 January 1998 and will therefore apply before that date. At the same time the measure will introduce safety clauses guaranteeing the interconnection and interoperability of networks and services, so that users will be able to benefit increasingly from the universal provision of telecommunications services throughout the territory of the European Union. SUBSTANCE: The directive provides a harmonized framework for interconnection by application of the principles of open network provision (ONP). The main provisions of the directive are as follows: . application of the principles of transparency, objectivity and non-discrimination in the provision of an open network, in accordance with the principle of proportionality; . priority is given to commercial negotiations between the parties to an interconnection agreement, subject to certain conditions which must be laid down in advance by the national regulatory authorities; . the precise responsibilities of the national regulatory authorities, in accordance with the principle of subsidiarity,

including effective mechanisms for settling disputes; . description of the way in which the essential requirements (security of operations handled on the network, maintenance of network integrity, interoperability of services and protection of personal data and confidentiality) are applied when providing interconnection services; . in addition, the Treaty's rules on competition are to be applied.

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1995/0207(COD) - 20/03/1996 - Modified legislative proposal

The amended proposal incorporated, in whole or in part, 45 of the 69 amendments adopted by Parliament at first reading. The Commission accepted the amendments: - stressing the importance of guaranteeing universal service and a single European telecommunications market; - concerning number portability; - stressing the need to protect the environment; - increasing transparency and ensuring reasonable confidentiality; - calling for greater coordination among national regulatory authorities and between them and the Commission; - clarifying the text in a manner consistent with the objectives of the Directive; - calling for the possibility of setting up a European regulatory authority for telecommunications to be studied in connection with the review of the Directive in 1999; - which were compatible with existing European legislation. However, the Commission did not incorporate the amendments seeking in particular: - to restrict the scope of the Directive to interconnection between public networks of the same type and extending the confidentiality requirement to all telecommunications networks (public and private); - to replace the requirement of complete accounting separation with a less stringent requirement that accounts be transparent; - to regard services which cannot at present be made available to all users as forming part of a universal service obligation; - provide for the costs of universal service obligations to be shared among all telecommunications network operators (and not only among public network operators); - to delete the concept of market advantage for organizations subject to universal service obligations; - to reduce the role of national regulatory authorities in supervising contributions to covering universal service costs; - to make it possible to bring proceedings simultaneously in the national courts and at EU level; - to delete certain elements from the definition of the concept of power on the market; - to restrict the framework governing collocation and facility sharing.

Telecommunications: interconnection, universal service and interoperability of networks and services, open network provision ONP

1995/0207(COD) - 11/11/1996 - Commission opinion on Parliament's position at 2nd reading

The Commission amended its proposal by incorporating, in full or in part, 21 of the 31 amendments adopted by the European Parliament at second reading. The main amendments accepted by the Commission relate to the following eight areas: - study into the creation of a European regulatory authority: the Commission agreed to examine in the report which it is required to submit by the end of 1999 the possibility of introducing a European telecommunications regulatory authority, although it considered it premature at this stage to specify the tasks which it would be required to carry out; - procedure for settling cross-border disputes on interconnection at Union level: reintroduction of a binding procedure; - postponement, for certain Member States, of certain obligations provided for in the directive: support for amendments requiring that Member States granted transitional periods for complete deregulation in accordance with Commission directive 96/19/EC call for the corresponding postponement of certain obligations provided for in the directive, where this is justified by special or exclusive telecommunications rights; - definition of interconnection: service providers must be included in the definition of interconnection; - re-examination of the need for the directive once there is real competition; - number portability: the Commission supports the demand for calls to be rerouted to the new number or for the caller to be given the new number. This service should be provided for a reasonable charge approved by the national regulatory authority (for portable numbers and call rerouting) or free of charge (for giving callers the new number); - strengthening of the requirement for the positions of Member States to be coordinated in international bodies and fora where decisions are taken on numbering; - guidelines laid down by the Commission: the Commission reintroduced guidelines on cost accounting and separation of accounts in the field of interconnection. These guidelines, which the Commission will draw up, will not be binding. It should be noted that the Commission did not accept amendments seeking: - the establishment by the Member States of a mechanism for funding the universal service in order to finance the net cost of the universal service requirement; - the elaboration by the Commission, by 31 December 1996, of a proposal for a directive on the evaluation of the cost and funding of the universal service. - separation of accounts; - comitology (the Commission accepted the type IIIa regulatory committee).

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1995/0207(COD) - 14/02/1996 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted the report by Mrs Mel READ (PSE, UK) on the proposal for a directive on interconnection in telecommunications with regard to ensuring universal service and interoperability through application of the principles of Open Network Provision (ONP). In relation to the Commission proposal, the European Parliament proposed, in particular: - conferring on the Commission increased powers of action with a view to rules being laid down at European level. This could result in the establishment of a European Regulatory Authority; - clarifying certain control rules; - limiting obligations relating to transparency and accounting separation to various large organizations; - encouraging competition whilst preventing penetration of the market by inefficient players; - encouraging investment rather than physical collocation; - ensuring numbering continuity and number portability when changing supplier; - clarifying the concept of universal service in the directive, with the introduction of European legislation, and sharing the cost of universal service between all operators. A universal service must permit access to a minimum service to all users at an affordable price. The Commission was invited to come forward with a Communication forming the basis of a definition of universal service at the latest by 31 December 1996.

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1995/0207(COD) - 18/06/1996 - Council position

In many instances, the common position of the Council follows the position of the Commission as expressed in its amended proposal. The Council's changes to the Commission proposal and its attitude towards Parliament's amendments were motivated by its concern to: - ensure consistency with other relevant Community provisions, in particular the Directives on the application of open network provision (ONP) (e.g. as regards the procedure applicable for the committee); - clarify the scope of certain provisions (e.g. by extending universal service cost-sharing to organizations providing voice telephony services available to the public); - simplify the Directive by introducing greater flexibility in the planned provisions. The Council therefore introduced new provisions in its common position, particularly the following: - Definitions: reformulation of the definitions of 'interconnection' and 'telecommunications services'; - Rights and obligations for interconnection: organizations which have significant market power must meet all reasonable requests for access to the network; - Definition of 'significant market power': this is now defined in an article rather than a recital; - Universal service: inclusion of organizations providing voice telephony services accessible to the public among the possible contributors towards the costs of universal service obligations; - Principles for interconnection charges and cost accounting systems: the principles of transparency and cost orientation are extended to suppliers of networks and public mobile telephony services with significant market power. It is also permissible to set a number of different tariffs, terms and conditions for interconnection for different categories of organizations; - Accounting separation and financial reports: Member States may require structural separation of telecommunications operations in the case of organizations which have special or exclusive rights for the provision of services in other sectors; - Essential requirements: the reference to specific conditions concerning compensation is deleted; - Technical standards: the reference to specifications having a wide acceptance within industry and developed by international industry bodies is deleted; - Publication of and access to information: up-to-date information must be made available on request and free of charge to interested parties; - Commitology: a Type III(a) regulatory committee is chosen to adapt Annexes IV, V and VII to technological progress, in order to maintain consistency with the other ONP directives; - Review of implementation of the Directive: the review will particularly concern the provisions of the Directive on universal service and the date 01/01/2003 for the introduction of number portability in major population centres; - Fixed public telephone network: the definition of the fixed public telephone network is extended to include provision of special facilities to meet special social needs. The common position did not incorporate Parliament's amendments, notably concerning: - the portability of telephone numbers; - the emphasis on the need to protect the environment; - consideration of the possibility of setting up a European regulatory authority for telecommunications when the Directive is reviewed in 1999.