

4. Measures regarding the establishment of a Single Market for Electronic Communications (mobile telephony)

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Justification

General objective of the European Commission's regulation

The basic objective of the European Commission's **regulation** is to establish a single market for electronic communications in which:

- ✓ the public, institutions and businesses can access electronic communication services throughout the EU under **equal conditions, without restrictions or additional costs,**
- ✓ operators and providers of electronic communication services can provide **services on competitive conditions** outside the borders of the Member State in which they are established and reach consumers throughout the EU
- ✓ the basis of **the digital transformation of the economy** is developed, which should result in the restoration and maintenance of economic growth, the increased global competitiveness of the EU countries, and the creation of new jobs in the digital economy, the creative industries and all areas of the economy in which electronic communications play an important role.
- ✓ Increased availability and **lower costs** for using fast connections will enable all service providers, including European SMEs, to create and offer innovative products and services on the global market

In the proposal for a **regulation**, the European Commission has proposed the following solutions:

- ✓ a single EU authorisation for European electronic communications providers based on a single notification system in the Member State of main establishment of the provider;
- ✓ harmonisation of the conditions of availability, assignment conditions and the duration of spectrum use rights;
- ✓ the introduction of virtual broadband access products and harmonised electronic communication products with assured service quality (ASQ);
- ✓ harmonisation of rules regarding the rights of end-users/consumers (requirement for transparent information and contracts, clearly defined conditions for entering into and terminating contracts, net neutrality, assured service quality, easier switching and number portability);
- ✓ sanctioning powers of the competent national authorities and rules on the Commission's power to adopt delegated or implementing acts;
- ✓ rules on roaming calls in mobile networks;
- ✓ limiting the cost of intra-EU fixed-line calls, which is not to exceed the tariff for domestic long-distance communications;

- ✓ increased stability for BEREC as an advisory body to the European Commission on electronic communications

As the **European Council stressed in its Conclusions of 24-25 October 2013, overcoming the fragmentation of the electronic communications market, promoting effective competition** and attracting private investment through a predictable and stable legal framework, while ensuring a high level of **consumer protection**, as well as harmonising spectrum assignment are crucial for the economic and social development of the Member States

Recommendations

Proposed reduction in barriers for European electronic communication service providers include:

- the introduction of a single European authorisation valid throughout the EU,
 - the harmonisation of regulatory conditions and spectrum management,
- which will make it easier for providers to offer competitive, secure electronic communication services for individuals, businesses and institutions throughout the EU.
- broadband services should be included in the scope of Universal Service Provision.

Improved accessibility and reduced costs of building and operating high-speed networks will:

- create jobs at European companies, including SMEs and start-ups developing and providing innovative products and services on the global market,
- accelerate the development of modern services in the areas of e-commerce and e-education, as well as advanced public services such as e-government and e-health,
- accelerate the development of modern European cloud computing services which enable the huge opportunities for creating new services to be used in areas where rapid development is expected, such as the Internet of Things (IoT) and machine-to-machine (M2M) communication.

The proposed **harmonised regulatory conditions** will stimulate investments in European electronic communication service providers. The proposed harmonisation of guarantees of consumer and user rights to include:

- ✓ easier choice of service provider and facilitating change of providers,
- ✓ elimination of the high costs of mobile roaming calls and intra-EU cross-border fixed-line calls (Cf. EESC Information Report on "Stop Roaming Charges Now", CES5263-2013, rapporteur: Mr Hencks).
- Harmonising contract conditions for end-users of electronic communication services in all Member States is also very important for cross border transactions.
- The future regulation has to provide more financial and legal security for the operators and it needs to provide the users with more legal security by better safeguarding their rights.
- the importance of the right to proper personal data protection and other rights of end-users of electronic communication services are also necessary.

Harmonised rights of end-users

✓ Harmonisation of end-user rights, obligations regarding transparency and clear consumer information about conditions, quality, rights, tariffs and rules on facilitating a change of provider will bring major benefits for consumers of electronic communication services. It will strengthen their position vis-à-vis service providers and reduce information asymmetry.

The provision of specific information and contract obligations covering:

- ✓ provision of services for disabled end-users, details of products and services,
- ✓ the type of action that might be taken by the provider in response to security or integrity incidents or threats and vulnerabilities,
- ✓ control by end-users of their consumption of electronic services.

The proposed obligation on electronic service providers to distribute public interest information on:

- ✓ the most common uses of electronic communications services for engaging in unlawful activities or disseminating harmful content and their legal consequences;
- ✓ the means of protection against risks to personal security and unlawful access to personal data when using electronic communications services.

Roaming and international calls

Although the ultimate objective set under the Digital Agenda for Europe is to eliminate the difference between domestic prices and roaming charges in order to establish an internal market for mobile communication services, the prices charged for roaming mobile communications within Europe continue to be inflated and significantly higher than the rates charged for the same service domestically.

- Charges should be made more transparent, particularly where bundled offers are concerned,
- the regulatory authorities should work with consumer organisations to develop a standard format for presenting the breakdown of charges to allow comparisons to be made between the various bundles and make it easier to find the best deal.