

Update and Information on progress of Electronic Communication Directives

Summary

The EU Council Working Group of Member States completed discussion on most of the package, and its position was endorsed by Ministers at the Telecommunications Council in June. The European Parliament is now preparing the Second Reading Process and the Committees have proposed a number of amendments, some of which reflect their First Reading proposals. The Belgian Presidency is proposing a number of compromises where there are differences between the CWG and Parliamentary positions. This is in order to try to reach agreement on the whole package by the end of this year. If no agreement is reached, then there would be a formal conciliation stage, which might delay agreement up to three months.

Outstanding issues

Spectrum Management is one of the areas of difference to be resolved. Article 6 of the Framework Directive concerns consultation on decisions with a significant impact on the internal market. As agreed at Council Working Group, it is left to the proposed Spectrum Decision groups to decide where frequency measures need to be harmonised. However the Parliamentary Committees want to take the line proposed by the Commission to include significant Decisions in the procedures under Article 8 of the Framework Directive. The procedure would involve consulting other Member States and the Commission, and the Commission may seek a time delay for consideration. The Commission would also like to have power to veto significant proposals by Member States. Their proposal would include key spectrum decisions (e.g. auctions and trading or possibly such issues as infrastructure sharing) and pricing.

Like other Member States, the UK is opposed to giving the Commission too much power on spectrum decisions (and on other significant measures like market dominance) because we fear they may use it to block the type of more progressive stance the UK has been taking. There are indications CWG may be willing to look at some compromises, such as more consultation but no veto, or- if appropriate- some modifications to the terms on "Rights of Appeal" as an alternative. The UK will look at any sensible compromise with a carefully considered response to CWG.

Timing

When agreement has been reached, the Directives would be expected to start coming into force 15 months later (i.e. sometime after April 2001).

Implementation

Other key aspects of the package affecting UK spectrum management will include:

- new EU spectrum groups, hopefully working to complement CEPT activity and giving more impetus behind harmonisation
- more emphasis on transparency and information

- ability to implement trading, subject to safeguards
- consideration of where spectrum authorisation needs no licence, but only publication of general conditions like Licence Exemption
- a need to review licence terms to the essential minimum

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