

COMMISSION OF THE EUROPEAN COMMUNITIES

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COMMUNICATION FROM THE COMMISSION TO THE COUNCIL

ON THE STATUS OF THE COMMUNITY

TELECOMMUNICATIONS POLICY

SUMMARY

The Commission's Communication summarizes current progress in Community telecommunications policy, covering five areas :

- a) Creating a Community market in telecommunications terminals and equipment.
- b) Carrying out infrastructure projects of common interest.
- c) Implementing a development programme for the technology required in the long term for the establishment of future wideband networks.
- d) Providing the less favoured regions of the Community with better access to the advantages offered by the development of advanced services and networks.
- e) Coordinating negotiating positions within the international organizations dealing with telecommunications.

In the conclusions, the Commission requests that the Council:

- support the network operators' efforts to strengthen the potential of the CEPT, in order that the work required of this body by the Commission should be accelerated;
- examine without delay the two draft directives on standardization and the draft resolution on the videocommunication project, with a view to their adoption at the next meeting of the Council of Ministers for Industry;

- give a favourable opinion on the proposed RACE definition phase;
- adopt a common position as regards INTELSAT.

COMMUNICATION FROM THE COMMISSION TO THE COUNCIL
ON THE STATUS OF THE COMMUNITY TELECOMMUNICATIONS POLICY

1. INTRODUCTION

At its meeting on 17 December 1984 the Council approved, on the basis of a communication from the Commission, the major objectives of a Community telecommunications policy. These objectives are as follows :

- A. Creation of a Community market for telecommunications equipment and terminals.
- B. Implementation of infrastructure projects of common interest.
- C. Launching of a development programme for the technologies required in the long term for the establishment of the future broadband networks.
- D. Improved access for less-favoured regions of the Community to the benefits of the development of advanced services and networks.
- E. Coordination of negotiating positions within international organizations dealing with telecommunications.

Since then the European Council, meeting on 29-30 March 1985, has confirmed this approach by approving the general objective of achieving a breakthrough in telecommunications as one of the ways of strengthening the technological base and competitiveness of Community industry.

The Commission describes below the status of the work on these objectives that it is conducting in close association with the Senior Officials Group on Telecommunications and the Directors-General of the PTTs, who met in Brussels on 3 May 1985 at its request.

2. THE STATUS OF COMMUNITY ACTIVITIES

A. Creation of a Community market for telecommunications equipment and terminals

This includes work on the definition and application of common technical specifications and also the implementation of procedures for opening-up access to calls for tender put out by network operators.

- Standardization activities :

- (a) In August 1984 a Memorandum of Understanding was signed between the Commission and the European Conference of Postal and Telecommunications Administrations (CEPT). The CEPT undertook to carry out technical work leading to the drafting of common specifications for the type approval of telecommunications terminals, following priorities established by the Community and

working on the basis of internationally recommended standards.

An initial list of priorities drawn up by the Commission after consulting the Senior Officials Group on Telecommunications was sent to the CEPT in mid-1984 and confirmed in January 1985, as provided for in the Memorandum of Understanding. It includes in particular the preparation of standards for the ISDN, OSI and mobile cellular telephony.

Discussions are continuing with the CCH (1) and SSA (2) of the CEPT in order to lay down a precise working timetable for each of the priorities, as stipulated in the Memorandum of Understanding. This timetable should have been established by the beginning of February 1985.

- (b) Two proposals for Directives, one on standardization in information technology and telecommunications and the other on the mutual recognition of the results of conformity tests on terminals, have just been sent to the Council.

(1) CCH : Comité de Coordination de
l'Harmonisation

(2) SSA : Secrétariat des Spécifications et
Agréments

The main aims of these two proposals are :

1. to set up satisfactory procedures for the preparation by specialized technical bodies of standards (in information technology) and common technical specifications (in telecommunications) given priority status by the Community, by means of suitable internal procedures and allowing harmonized implementation of international standards within the Community;
2. to ensure that plans to issue regulations concerning data exchange and systems interoperability in information technology and telecommunications are subject to procedures supplementing those in Directive 83/189/EEC so that work done at Community level is not duplicated and/or hampered by work conducted in parallel in the individual countries;
3. to ensure that European information technology standards and common telecommunications specifications are used as a reference for public procurement by Community and Member State institutions;
4. in telecommunications, to ensure the progressive establishment of a procedure for the mutual recognition of tests carried out in approved laboratories in the Member States on the basis of common specifications adopted at Community level; this procedure is a first stage towards the mutual recognition of terminal type approval.

Prior to the entry into force of the Directive on mutual recognition of conformity tests, the Commission :

- will seek with the CEPT ways of speeding up the work on the definition of common conformity test specifications needed by approved laboratories to carry out their tests;
- will promote operations leading to the approval of laboratories and the establishment of a climate of confidence necessary for mutual recognition of the results of their work.

- Opening-up of calls for tender by network operators :

On 12 November 1984 the Council approved a recommendation for an experimental two-year period during which network operators will give unrestricted access to their calls for tender for all new terminals and for 10 % in value of their total annual orders for switching and transmission apparatus and conventional terminals.

After discussion, the Senior Officials Group on Telecommunications finalized procedures for publishing the network operators' procurement plans in the Official Journal of the European Communities so as to establish transparency. The Member States also have to submit in June 1985 an initial report on the application of this recommendation.

B. Implementation of infrastructure projects of common interest

Studies that are at different stages of completion are now in progress on three common projects :

- Intergovernmental videocommunications project :

The feasibility study on this project requested by the Council in February 1984 was carried out by the Commission with the help of Community network operators and was recently sent to the Council together with a draft resolution. In addition an initial demonstration was held on 15 November 1984 between five Community towns; a second demonstration will be held in the next few weeks.

The resolution proposes that the Council, on the basis of the conclusions of the feasibility study, should approve the initial implementation of the system and encourage the Member States to expand their existing installations for that purpose. It also suggests that network operators be encouraged rapidly to set up a transnational broadband backbone that would enable the final intergovernmental videocommunications service to be set up, that a report on the experience gained be sent to the Council by the end of 1986 and that the Commission endeavour to solve outstanding technical problems with the Member States.

- Transnational broadband backbone in the Community :

The main axes forming the backbone of the future high-capacity network in the Community are being studied by a consortium formed by consultancy firms working closely with the telecommunications administrations. The study will be completed in October 1985 but significant results should be available by July. From September the network operators will have to make available resources for the evaluation of the options put forward and discussion of methods of cooperation.

- Second-generation mobile cellular telephony system :

The study on the conditions for establishing this system on the basis of a single specification for the whole Community will be completed in May 1985. The GSM (1) of the CEPT will finalize the detailed specifications of the system and, at the request of the Directors-General of the telecommunications administrations, this should be completed by the end of 1987. The Commission has asked the GSM to set up a permanent team as soon as possible so as to expedite the finalization of the specifications.

(1) Groupe Spécial Téléphonie Mobile

Each of these projects is examined by an Analysis and Forecasting Group (GAP), a forum for more general considerations on common objectives for the development of telecommunications in the Community. This group is preparing to issue in June recommendations on the establishment of the ISDN in the Community. These will be sent to the Council in the second half of 1985, after discussion by the Senior Officials Group on Telecommunications and the Directors-General of the telecommunications administrations, another meeting of which is scheduled for September.

The group will then start similar work on mobile cellular telephony.

C. launching of a technological development programme

With the help of manufacturers and the telecommunications administrations' research centres, the Commission produced in the second half of 1984 a list of R&D requirements that must be met if it is to be possible to introduce Integrated Broadband Communications (IBC) throughout the Community from 1995. The definition of and procedures for implementing a programme for the development of advanced telecommunications technologies (the RACE programme) have been discussed with the Senior Officials Group on Telecommunications. These talks showed that it was first necessary to proceed with a definition phase for the RACE programme. A proposal on the definition phase was sent to the Council on 25 March 1985.

It is in two parts : construction of a reference model and exploratory R&D activities. The definition phase would last eighteen months and require Community financing of 22.1 million ECU. The proposal is now

being examined by the European Parliament, the Economic and Social Committee and the Council bodies.

The conditions prevailing in the telecommunications sector in the Community and the situation in rival countries (USA and Japan) make the launching of this programme a matter of urgency; although modest, it is vital for the definition of common guidelines on advanced applications, networks and terminals. The Commission hopes that the Council will be able to take a decision on the programme at its meetings on 3-4 June.

D. Improved access for less-favoured regions of the Community to the benefits of the development of advanced services and networks

A study is now in progress to identify activities to be promoted with the support of Community financial instruments so as to enable the less-favoured regions of the Community to benefit from the development of advanced telecommunications in the Community. It is being carried out by consultants working closely with the telecommunications administrations and by regional development experts in the Community member countries. The main emphasis is on the requirements of Greece, Ireland and Southern Italy. The results are expected by July 1985. After being discussed by the Senior Officials Group on Telecommunications, its recommendations will be taken as a basis for a report to the Council and for the provision of support for telecommunications infrastructure development activities through the Community's financial instruments.

E. Coordination of negotiating positions within international organizations dealing with telecommunications

This coordination appears extremely important at a time when the organization of telecommunications at world level is changing rapidly and various initiatives are being taken, such as that of the ITU's Independent Commission for World Wide Telecommunications Development.

It is desirable that these initiatives be evaluated at Community level and that the Member States endeavour to reach a common position on them.

The threat hanging over the future of INTELSAT because of the decision by the US President to move towards private competition with the INTELSAT system for certain international satellite communications appears to call for very rapid coordination.

3. CONCLUSIONS

The Council is requested :

- to support the efforts of the network operators, in particular at the plenary meeting of Commission T of the CEPT in Nice in June, to ensure that the CEPT makes the necessary organizational arrangements for the preparation as quickly as possible of the common standards and specifications used for conformity tests on priority terminals and for the approval of test laboratories;

- rapidly to examine the proposals for Directives on standardization in information technology and telecommunications and on the mutual recognition of conformity tests on telecommunications terminals, and the resolution on the intergovernmental videocommunications project with a view the adoption of these proposals at the next meeting of the Council of Ministers for Industry;
- to approve the rapid implementation of the RACE definition phase;
- to adopt a common position at their meeting on 3 June as regards INTELSAT.