

## European single market for electronic communications

The 'Connected Continent' proposal for a single telecoms market, presented in September 2013 by the European Commission, aimed to tackle existing bottlenecks hindering the development of the Digital Single Market (DSM). Progress on two of its elements – an end to roaming charges and EU-wide rules on net neutrality – has been achieved, and the compromise agreed in trilogue on these points will be voted during the October III Plenary.

### Step-by-step approach and current state of play

In September 2013, the Commission submitted a [proposal](#) for a regulation aimed at completing a European single market for electronic communications. The proposal encompassed a broad set of provisions related to establishing a single EU authorisation for cross-border providers, coordinating spectrum assignments, harmonising access for products needed to provide electronic communications, harmonising rules ensuring an open internet as well as protecting end-users, phasing out roaming surcharges, and modifications to the governance of the Body of European Regulators for Electronic Communications (BEREC). All these measures aimed to ensure that citizens and businesses can access electronic communications services wherever they are in the European Union, without cross-border restrictions or unjustified additional costs.

In June 2015, the European Parliament (EP), Council and Commission reached an [agreement](#) in trilogue on a partial approach, agreeing on just two points covered by the original proposal: roaming charges and net neutrality. Most of the remaining aspects of the initial proposal will be considered in a review of [EU telecoms rules](#) in 2016. The EP adopted its position on the proposal at first reading on 3 April 2014 based on the [report](#) prepared by the Industry, Research and Energy (ITRE) Committee (rapporteur: Pilar del Castillo, EPP, Spain). On 1 October, the Council adopted its [position](#) in first reading, which the Commission [welcomed](#). The ITRE committee voted, on 13 October, a Recommendation for the EP to adopt it in second reading, which is on the agenda of the October III Plenary.

### Roaming charges to end from mid-2017

Roaming is the practice of charging extra for making and receiving mobile-phone calls, transmitting or receiving data, or accessing other services when travelling outside the geographical coverage area of the home network, using a visited network. For a decade, as a result of three EU [Regulations](#), roaming charges have decreased dramatically within the EU (data roaming is now 91% cheaper compared to 2007). The proposed regulation will bring this to an end in two phases: a transitional period from 30 April 2016 until 14 June 2017, where roaming will be charged at the [domestic call price plus a small surcharge](#); and a second phase from 15 June 2017, after which all European consumers would pay the same price for calls, texts and mobile data, wherever they are travelling in the EU, as at home.

As a number of steps still need to be taken in order to make the end of roaming charges sustainable throughout the EU, the end date could not be set earlier, as preferred by the Commission and the EP. For instance the wholesale roaming market (the prices that operators charge each other for the use of their networks) needs to be thoroughly reviewed by the Commission. This assessment will have to be done in a timely manner to avoid any delays with the agreed roaming end date (as noted by the European consumer association [BEUC](#)). The regulation will also introduce a 'Fair use safeguard' to 'prevent abusive uses' or 'permanent roaming', i.e. according to the Commission, 'if the customer buys a SIM card in another EU country where domestic prices are lower to use it at home; or if the customer permanently stays abroad

with a domestic subscription of [their] home country'. The Commission has been mandated to define the details of the fair-use limit in the review process, through implementing measures.

Until 15 June 2017, consumers will continue to be informed by text message (SMS) of roaming tariffs when they go abroad, but thereafter only in the exceptional case of any 'fair use' clause being triggered.

The end of roaming is expected to bring an increase in the number of consumers using their mobile phones abroad: currently over half of [roamers](#) do not turn on data services because they do not understand data roaming charges or are afraid they are too expensive. Many instead use alternative non-mobile internet providers (hotels, WiFi hotspots, etc.) and third parties' online platforms. On the other hand, some [studies](#) have shown that 'Roam Like at Home' plans are becoming more prevalent for both consumers and corporate customers.

## EU network neutrality

For the first time there will be specific EU legislation to protect the right of every European to access Internet content without discrimination, which will allow the Internet to be maintained as an open platform, open to innovation and where network providers treat all content, applications and services equally, without discrimination. The agreed text includes the [principle of net neutrality](#), without specifically naming it, in Article 3(3):

'Providers of internet access services shall treat all traffic equally, when providing internet access services, without discrimination, restriction or interference, and irrespective of the sender and receiver, the content accessed or distributed, the applications or services used or provided, or the terminal equipment used.'

Under the proposal, internet service providers would be banned from blocking or throttling internet speeds for certain services for commercial reasons, a practice which has happened in the past.

Internet traffic could be still 'managed' but only for some temporary or exceptional reasons, including three justified exceptions, i.e. protecting against cyber-attacks, impending network congestion, or in response to a court order or legal obligation. The text allows for internet access providers to offer specialised services (e.g. the improved internet quality needed for certain services such as internet TV, high-definition video conferencing or telemedicine), on condition that this does not have an impact on general internet quality.

Network capacity remains a key issue: internet traffic is expected to [triple from 2014 to 2019](#) and there needs to be better infrastructure to handle it. The net neutrality developments are dependent on availability of fast-speed broadband networks. According to the Commission's latest digital agenda scoreboards, Europe is falling behind [its fast broadband targets set for 2020](#) and there is a need for further investment. Under the regulation, consumers will be informed about the minimum and maximum available internet speeds they can expect when signing a contract. If the operator does not deliver the promised speeds, this would be deemed to be a breach of contract.

However some types of [controversial](#) price discrimination, or 'zero-rated services' have not been specifically banned in the text. These are services offered to customers for free, their traffic is not considered as a result of deals between the service provider and the internet access provider and thus [could result in a case of discrimination](#). For instance, once a consumer has used their mobile internet monthly quota, the traffic that is exempted for 'zero-rated services' will continue, while all other traffic would be throttled or blocked.

The new regulation aims to avoid fragmentation of the digital internal market resulting from measures adopted by individual Member States. However, the Netherlands and Slovenia voted against the Council compromise because they have already enforced national legislation that they consider more advanced in respect of net neutrality than the compromise text. The competent regulatory authorities at national level will monitor and take enforcement action to guarantee compliance with the rules of the regulation. They might also set minimum 'quality of service' requirements on internet access providers. BEREC will provide relevant guidelines for this.

The EP is currently working on an [own initiative report](#) on the Commission's [Digital Single Market strategy](#) proposed in May 2015. This will also address certain aspects of the single market for electronic communications. The proposed 2016 telecoms review constitutes a key building block of this strategy