

1.2 Telecommunications

EC Commission policy regarding the opening of the European telecommunications sector was set forth in the 1987 Green Paper on the Development of the Common Market for Telecommunications Services and Equipment.⁷⁴ The program for reform outlined in the Green Paper included a broad range of proposals for promoting Community-wide competition in many areas of telecommunications equipment and services. The Green Paper, however, stopped short of calling for the opening of EC markets for basic voice telephone services. It also accepted, as a future policy orientation, that Member State telecommunications administrations should be able to maintain their monopolies over national network infrastructure.

A number of the reforms called for in the Green Paper have been adopted. The integration of the EC telecommunications equipment market was accomplished in May 1989, with the adoption of the EC Commission Directive on Competition in the Telecommunications Terminals Market.⁷⁵ Products covered by this Directive include, for example, telephones, fax machines, data transmission and switching equipment, and modems. The Directive includes provisions to: remove restrictions on the connection of telecommunications equipment manufactured in one Member State to the network infrastructure of other Member States; ensure that suppliers of terminal equipment covered by the Directive will be able to market and service their products in all Member States; and prevent the use of technical standards that impede Community manufacturers' access to all Member States.

The Commission has also adopted a directive designed to remove barriers to competition between EC suppliers of value-added services. The Directive on Telecommunications Services, adopted in June 1990, includes provisions designed to provide Community suppliers of services, such as message recording and relaying, transactions, data processing and interactive services, with access to the national telecommunications networks of all Member States.⁷⁶ It also provides that, as of January 1, 1993, companies will be able to resell leased line capacity to the public.