

**NATIONAL TELECOM REGULATORS URGE EUROPEAN COMMISSION  
TO EXPLOIT ERG'S FULL POTENTIAL**

16 February 2007

The European Regulators Group (ERG) today unanimously reaffirmed its approach to improving the consistency of regulation in key markets and its support for a common regulatory approach to cross-border services. The announcement anticipates the ERG's written response to Commissioner Viviane Reding's request for it to consider several institutional proposals as part of the Commission's review of the regulatory Framework for electronic communications and services.

The ERG believes it is right to focus on these important areas. In line with this, it began last year a process of reform to improve its effectiveness as an organisation. Today, in addition, it has agreed to a new collaborative mechanism to improve the efficiency of the market notification process. Other immediately effective mechanisms to promote consistent regulation are available.

The ERG has also urged the Commission to fully exploit the Group's potential as an advisory body to the Commission under the existing legal framework, calling for the two organisations to work more closely together to ensure a consistent and coordinated approach to regulation. The ERG believes that these proposed steps will go a long way to achieving the desired consistency of regulatory remedies without undermining the principle of subsidiarity, in line with the ERG response to the Framework consultation.

In the medium-to-long term, however, the ERG believes that the anticipated evolution of markets and technologies (including the consolidation of European industry and an increase in pan-European services), requires an effective mutual coordination system, and to this end we welcome Commissioner Reding's initiative to consider an institutional framework which has at its core a strengthened network of independent national regulators that provides an effective and non-bureaucratic coordination mechanism.

However, the ERG invites the Commission to investigate the legal feasibility of the proposals outlined in Commissioner Reding's letter, and notes that ultimately any enhancement of the ERG's role and functions would have to be considered and approved by the European Parliament and the Council.

**2008 CHAIR CONFIRMED**

The ERG also today confirmed the appointment of Daniel Pataki, of Hungarian regulator NCAH, as its chair for 2008. "I look forward to the continued development of the partnership between the ERG and the Commission," said Mr Pataki in his acceptance speech.

## OTHER

The ERG took the first practical steps towards the establishment of the permanent secretariat, agreeing on a budget for 2007 and launching the recruitment process, expected to take place this spring.

Finally, the ERG published a series of documents, all of which will be made available on the ERG website:

- Principles of Implementation and Best Practices on Weighted Average Cost of Capital (WACC);
- Updated report on Broadband Market Competition;
- a report on IP Interconnection; and
- the Annual Report 2006

Ends.

## NOTES FOR EDITORS

The European Regulators Group (ERG) was created to act as an advisory group to help the European Commission develop the internal market for electronic communications and services and ensure the consistent application of the regulatory Framework.

The ERG takes into account in its work the objectives given to NRAs in Article 8 of the Framework Directive (2002/21/EC) to promote competition, contribute to the development of the internal market and promote the interests of EU citizens.

The ERG consists of European National Regulatory Authorities (NRAs). Its full members are the twenty-seven EU Member States whilst the four EFTA States (Switzerland, Norway, Iceland and Liechtenstein) and three EU Accession/Candidate States (Turkey, Croatia and Former Yugoslavian Republic of Macedonia) participate as observers.

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