

**Joint Statement
of Viviane REDING,
EU Telecom and Media Commissioner,
and Roberto VIOLA,
Chairman of the European Regulators Group (ERG)**

**after their meeting on 27 February 2007
on the forthcoming reform of the EU's Regulatory Framework for electronic
communications**

Today, the European Regulators Group – the ERG - has issued a letter of advice to the Commission in response to a request by Commissioner Viviane Reding of 30 November 2006, in the context of the Review of the Regulatory Framework for Electronic Networks and Services.

EU Telecom Commissioner Viviane Reding and ERG Chair Roberto Viola jointly commented as follows: *"The Commission and the ERG have a common objective: promoting the development of the internal market for electronic communications networks and services, at the service of European industry and consumers. Promoting effective competition in electronic communications markets, and enabling the realisation of the potential of cross-border and pan-European services are and will continue to be joint tasks of the Commission and National Regulators. Both must fulfil their tasks independently, consistently, effectively, and in a timely fashion.*

Following a fruitful exchange of views, the ERG's letter of advice provides a good starting point for developing further the close cooperation between the European Commission, the ERG and National Regulators, jointly responsible for ensuring the consistent application of the EU's regulatory framework for electronic communications, in the preparation of proposals for the reform of this framework, planned for July this year.

The reform of the EU's regulatory framework, expected to take effect by 2010, will have to provide the conditions for the effective coordination of regulatory approaches to enable the development of pan-European and cross-border services. With due respect to the Commission's right of legislative initiative, the ERG will advise the Commission on the technical aspects of its legislative proposals.

We have agreed today to consider with an open mind all means of improving the current system of cooperation between the Commission and the ERG, and of strengthening the ERG as an efficient integrated system of independent regulators. Particular options that the Commission has raised to date and that will need to be elaborated and considered further include an enhanced role for the ERG in existing regulatory and legislative processes, the strengthening of the internal market powers of the Commission, and the transformation of the ERG into a "federal system" of National Regulators (possibly modelled on the European System of Central Banks), or a combination of these.

The ERG's letter of advice is concrete proof of the ERG's commitment to playing a proactive role in these discussions. The ERG has given serious consideration to the Commission's proposals, analysing the nature and scale of the different regulatory

challenges identified by the Commission, and proposing some immediate actions to be taken by both parties in anticipation of eventual legislative proposals.

The eventual reform proposals will seek to achieve a European system of independent regulators that delivers results, in a non-bureaucratic manner, faster, more efficiently and more consistently. As stated by the ERG in the letter of advice given to the Commission today, 'if Europe is to play a leading role in the global economy, its 27 national regulatory authorities will need to work closely together to ensure that European businesses can take full advantage of the scale of the European market.'

Whatever the eventual legislative solution, that in any event will need the approval of the European Parliament and Council, the continuing evolution of the ERG, of its internal decision-making processes and of its advisory role will be indispensable. The Commission and the ERG will be working closely together, beginning immediately, to support such continued evolution."

To ensure the transparency of our exchange of views, it was agreed to make public today the exchange of letters between the Commission and the ERG on the websites of both the Commission and of the ERG.

Commissioner Reding added: *"The responses to the Commission's public consultation of last year provided worrying signals about the conditions for the development of a true internal market in the electronic communications sector. I therefore welcome the readiness of the ERG to work closely together with the Commission on remedying enduring distortions of competition and also to address other issues of pan-European concern. I welcome in particular the proposals made by the ERG to simplify existing procedures.*

I would like to congratulate the ERG for the substantial progress made so far towards improved coordination among national regulators, and for the latest visible step that it has made towards a strengthened ERG: the establishment of a permanent secretariat of the ERG in Brussels.

The Commission, in its legislative proposals to be presented in July to the European Parliament and the Council, will do its part to strengthen the forces of competition in the internal market, the independence of regulators, as well as the consistency in the application of the EU telecom rules. I value the advice of the ERG and intend to keep it closely associated to the further work of the Commission in this field."

ERG Chair Viola added: *"The ERG welcomes the opportunity to advise the Commission, and sees the early engagement of the ERG in this initiative as the start of a constructive and collaborative relationship. The ERG has already stepped up its own efforts to achieve regulatory coordination and address any outstanding problems of consistency. Among its most recent steps in this regard is the decision to automatically constitute an ERG task force to advise National Regulators in critical cases. ERG looks forward to working with the Commission to exploit the Group's full potential along this lines to meet the regulatory challenges of the next decade."*