

UNBUNDLED ACCESS TO THE LOCAL LOOP

**Proposal for a Regulation of the European Parliament and of the Council  
(COM (2000) 394)**

**UNICE COMMENTS**

UNICE has learned with interest of the proposal for a regulation on unbundling of access to the local loop and of the European Parliament's initial proposals for amendments.

UNICE supports both the proposal's content and its legal form.

Unbundling could help accelerate the general availability of high-speed access in Europe and corresponds to the expectations of user companies, essentially SMEs. Unbundling is also complementary to and necessary for the expansion of various high-speed access technologies. This measure is therefore indispensable in Europe.

UNICE hopes that the proposal will be adopted as soon as possible and considers imperative the date proposed for entry into force of the text, namely 31 December 2000. A test period is actually necessary to ensure security and good functioning of the network. It consequently welcomes the European Parliament's opinion on the draft regulation, dated 25 October 2000, which now opens the way for a speedy adoption by the Council of Ministers.

UNICE would point out that the objective of this regulation must be harmonisation at European level of the conditions for unbundling. In that context, it supports the European Parliament's determination to introduce an annex laying down what must be included in incumbent operators' reference offers for unbundled access. Such a list must not be too vague, otherwise it would not ensure the measure of harmonisation sought.

The Lisbon Summit on 23-24 March 2000 underlined the fundamental importance of local access competition and unbundling. Where there is a bottleneck or essential facility, the possibility for undertakings to have full unbundled access or partial (shared) access is a fundamental point that must be maintained. This measure alone will give companies a real choice both for internet and telephone access, and will lead to genuine opening of the market to the benefit of the general public.

Concerning the implementation date of unbundling, UNICE would note that, even if certain derogations are allowed in terms of local situations, implementing delays must not exceed six months. Otherwise, the sought-after harmonisation will not be achieved.

It would also note the necessity of defining the notion of "sub-loop" that is specific to this regulation and is not found in the other proposals for directives.

Further, UNICE understands that this regulation will be allowed to lapse once the telecommunications directives under discussion (in particular the framework and access directives) have been adopted. UNICE would point out the difficulty of this exercise: on the one hand, there will be a need to ensure that the different directives have been properly transposed before doing away with this regulation and, on the other, the technical and economic conditions foreseen in the regulation must indeed be mirrored in identical terms in the directives. Failing that, economic players would have to invest heavily in the context of an economic model that could be subject to substantial changes in the long run.

\*

UNICE will follow this dossier with close attention and may wish to comment further if developments so require.

---