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## Resolution of CESI's 'Post und Telecoms' Trade Council on the implementation of the EU telecoms package in the Member State

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On 14 November 2018, the European Parliament and the Council of the European Union adopted the 'Telecoms Package'. The package is actually a **package of directives aiming to review the European Union Telecommunications Framework**, composed of a bundle of five EU-level directives that form the basis of a European telecommunications regulatory framework.

Following the adoption of the package by the European Parliament, the Council of the European Union will also formally take position on the new package setting forth the European Code for electronic communications and the establishment of the Body of European Regulators of Electronic Communications (BEREC). Following its publication in the Official Journal of the EU, the member states will have two years to transpose the new regulations for electronic communications to their national legislations.

The transposition of the contents of the package is the responsibility of the national legislators in European member states. According to the European Commission, the aim of the package is to create a new European regulatory framework for electronic communications. EU-wide investments into high-speed networks will be promoted, including in remote and rural areas.

**The new European regulatory framework for electronic communications aims to:**

- **push forward the expansion of 5G networks,**
- **expand new landlines with very high capacity,** and
- **protect consumers and provide them with more advantages,** independently of whether the end user is communicating via traditional services (e.g. phone calls, texts) or internet-based services (Skype, WhatsApp etc.).

The regulations will also lead to a drop in prices for usage. From May 2019, EU citizens communicating with individuals in other EU states should pay maximum 19 cents a minute for phone calls, and 6 cents per minute for text messages.

The “Post and Telecom” trade council generally welcomes:

- **the idea of EU institutions promoting the faster expansion of the internet networks, with higher speed and better coverage.** It also welcomes the creation of a European regulatory body if it also takes on labour policy tasks in addition to the market policies. This has not yet been planned.
- **improvements in the field of consumer protection.**

The “Post and Telecom” trade council criticises:

- **that there are no licensing rules for the introduction of 5G technology.** The various licensing methods across the European Union will mean that in some countries, bad licensing practices will create barriers for network expansion. This will also have an impact on the employees in those countries, as well as on the quality of service.
- **that the package does not refer to social policies although this is something we demanded in various talks with officials. Here, the demands concerning CEREST must be highlighted.** When designing the European regulatory body (Proposal COM(2016)0591 for a directive of the European Parliament and the Council establishing the Body of European Regulators for Electronic Communications, BEREC), in addition to the Board of Appeal (section 3 of the Directive), another body could have been set up which would independently analyse the consequences of the regulations on employees and their working conditions, and if necessary, propose measures to prevent negative developments.
- **the planned intervention on the level of pricing in telecommunications companies.** We are of the opinion that such intervention is unacceptable due to the fact that the telecommunications market is very competitive. Moreover, without the determination of 5G licensing rules, this is not acceptable. Greater competition in the sector and high costs for licences increases the existing social problems. This will not lead to more investment – indeed, the opposite will happen. However, due to the fact that investments are crucial for the companies, salaries and working conditions will undoubtedly worsen in the telecommunications sector.

The “Post and Telecom” trade council notes:

- **that the executive boards of telecom enterprises have for many years not been fulfilling their duties in the sense that they shared profits with shareholders instead of using them for investments.** As a result, investment gaps exist in technological developments. This investment gap, which amounts to 500 billion US-Dollar, needs to be closed, and this not on the back of the employees. The failure of the trade council to fulfil its duties to reinvest profits must be criticised.
- **that regulation practices applied so far are insufficient and inadequate.** Neither have they led to better services for the consumers, nor do employees in the sector better employment and working conditions. The services of telecom enterprises are not transparent and difficult to compare. Jobs were cut while working and employment conditions worsened.
- **that the European Commission is focusing more on cheaper consumer prices in its new directives, instead of on the interests of employees in the telecommunications sector.** European regulation in telecommunications companies has led to job cuts, the shift of tasks to other companies and to worse working conditions and pay.
- **that the new directives do not take into consideration the more stringent data protection rules set forth in the EU general data protection regulation (GDPR) 2016/679.** In Annex I A. 2 et al, reference is made to Directive 2002/58 (Directive on privacy and electronic communications), which poorly reflects the new data protection regulations for users despite the fact that the GDPR has been in force for two years. The trade council demands that both directives be modified to take these facts into account.

**The “Post and Telecom” demands the from the EU institutions:**

- 1. to resume negotiations to set up a European body responsible for evaluating the consequences of regulation on jobs, social bodies, job quality, motivation and pay systems.** The objective of this body should be to draft proposals aiming to force employers to mitigate the negative impacts of regulation. In practice, in the context of this regulation, the effects thereof on jobs and workers have not been taken into account. By means of the establishment of CEREST, this would change.
- 2. provisions for 5G network licences to prevent a terrible competitive licensing war, especially without national roaming.**
- 3. not to intervene in the pricing systems of telecommunications companies.** Harsh competition has already led to very low prices for consumers, which mean that the companies can barely break even.
- 4. amendments to the regulations on the data protection aspects.** The provisions of the GDPR must be integrated into the regulations.