

Glossary

Telecom Reform

English	Explanation
Accounting separation	A remedy which requires an operator to provide separate accounts to reflect the performance of parts of a company as if they had operated as a separate business. It can be a very broad disaggregation, e.g. separate wholesale and retail operations, or a much more detailed one.
Bandwidth	The capacity of a communications link or the difference between the highest and lowest frequencies available for network signals. The greater the bandwidth, the more information can be sent in a given amount of time. In general a digital channel occupies less bandwidth than an analogue channel of the same quality.
Broadband	A term usually used to describe a "fast" Internet connection, capable of supporting real-time voice and video streams. Broadband internet access is much faster than dial-up internet access. It is similar to the difference between a brand new sports car and a horse-drawn carriage.
Better regulation	An EU strategy aimed to make sure that regulation is used only when necessary, i.e. simplifying the existing legislation or improving new Commission proposals with the help of impact assessments and public consultations.
Bitstream access	Virtual access to the <i>local loop</i> by third parties to provide broadband services for customers.
Chief Network Security Officer	Coordinator of network and information security activities of the <i>European Telecommunications Market Authority</i> .
Digital Dividend	<i>Radio spectrum</i> to be freed following the transition from analogue to digital television by 2012. The switchover releases significant amount of airwaves as a single analogue channel can fit up to 8 digital TV programmes. Released spectrum could be used, inter alia, for providing new multimedia services such as mobile TV and wireless access to broadband communications.
European Telecommunications Market Authority	The Authority would include the heads of national telecom regulators and work under the clear responsibility of the European Commission. It would ensure consistency in the EU's telecom market, strengthen the weakest regulatory systems, allow the Commission to benefit from expertise while reinforcing its cooperation with national regulators, assisting the Commission in implementing new network security measures and coordinating EU-wide responses to network security threats. The Authority is formally known as the European Electronic Communications Market Authority (EECMA).
Functional separation	Requires an incumbent operator to separate its network infrastructure from the units offering services on top of this infrastructure. Although separate business entities are created, overall ownership remains unchanged. Functional separation obliges an operator to supply all other operators under non-discriminatory conditions and prevents traditional incumbents from unfairly discriminating against new entrants.

Incumbent telecom operator	Typically former state-owned monopolies, operators that historically occupied the majority of their respective telecoms markets.
Leased line	A phone line which connects two locations and is rented from a telecommunications provider by other companies to build their internal/private network (telephone and data). A leased line is thought to be more reliable than an ADSL home-connection.
Local loop	The wires or radio links carrying the main fixed public telephone network from the local telephone central office into the subscriber's home or office. Local loops are usually owned by incumbent operators and are enormously expensive for new entrants to replicate, therefore giving incumbent operators a huge advantage.
Mobile termination rates	The fee that mobile network operators charge to connect calls made from other fixed or mobile networks to their networks. For example, a person using operator A calls a person using operator B. Operator B delivers the call and operator A must pay mobile termination rates to operator B.
"Net freedoms" for citizens	The citizen's freedom to (1) access the (lawful) content of their choice; (2) use applications of their choice; (3) attach any personal devices (PDA etc) to the network; (4) obtain information about the prices of different digital services; and (5) distribute their own lawful content.
Next Generation Networks	Future networks, where normally one network transports all information and services (voice, data, TV and all sorts of interactive web services).
Public broadcast	A broadcaster who is usually governed by the law of a single Member State and can decide at national, regional or local level on the content of radio, television, web and potentially other electronic media outlets. Public broadcasters receive some or all of their funding from the public i.e. directly from individuals through voluntary donations, license fees, or indirectly from state subsidies (which may be funded through specific taxes, such as television licences).
Radio spectrum	Range of radio waves which can be used to transmit music, conversations, pictures and data invisibly through the air, sometimes over thousands of kilometres. Radio spectrum is a finite national asset but the airwaves are indifferent to national borders. Countries have to work with their neighbours and near-neighbours to ensure that transmissions in one nation do not interfere with transmissions in another - consumers expect their radio devices to work (legally) in all countries.
Recommended markets (predefined markets)	Markets in the telecom sector where it is presumed that competition problems might persist and which may warrant specific regulation under the EU telecom rules. National regulators must examine these markets to determine if there is a need for regulatory intervention or not. Even though the list is not exhaustive and national regulators can also look at other markets under certain conditions, this list is important because it sets the baseline for telecoms regulation.
Remedy	An obligation that regulators impose on operators to make competition more effective within a market.

Secondary trading	Making usage rights of radio spectrum tradable. Secondary trading may include transfer or leasing of licenses or part of licenses; reconfiguration or change of use of radio spectrum.
Service neutrality	Extends the concept of <i>technology neutrality</i> , stating that any electronic communication service can be offered on any radio frequency band. Regulators should encourage this trend. Established as a principle in the review.
Smart radio tag devices (RFID devices)	RFID is a technology that enables data collection with contactless electronic tags and wireless transmitters (readers) for identification and other purposes. RFID does not require a line of sight between tag and reader. Reading distances can be between a few millimetres and several meters. An RFID tag can be attached to or incorporated into a product. Tags can store and transmit an identification number or more complex data.
Structural dominance	To hold the dominant share of a market, i.e. to possess a majority of the infrastructure used to deliver telecommunications services.
Technology neutrality	States that any available technology (past, present or future) could be employed to provide a certain service. In simple terms, regulators should let the market decide which technology should be used for a particular purpose. Together with service neutrality it forms the flexible approach to spectrum in the review.
Terminating segments	The part of a connection which goes to customers' premises (<i>local loop</i>).
Trunk segments	Network connections allowing traffic to move from one network to another one. Trunk segments do not include an end-user connection.
Unbundled access to the local loop	Access to the <i>local loop</i> (whether wireless or wired and usually owned by incumbent operators) for third parties. This enables new competitors to offer broadband services.
Universal service	The practice of providing a basic set of telecommunications services to residents of a country at an affordable price. The minimum level required by current EU legislation includes (1) access to publicly available telephone services that provides internet access (universal service providers are free to use any technology capable of delivering the service, wired or wireless); (2) access to a comprehensive directory and directory enquiry service, including both fixed and mobile subscribers; (3) availability of public payphones and (4) ensuring that appropriate measures are put in place to ensure access to and affordability of the same services for users with disabilities and special social needs.