



Telecommunication Newsletter Switzerland

New Amended Law On Telecommunications Enters Into Force On April 1, 2007

Entry into Force

The Federal Council has decided in its meeting of March 9, 2007, to promulgate the revised law on telecommunications and the decrees based on it as per April 1, 2007.

Unbundling

The key changes introduced through the revision are the unbundling of the last mile. Third party providers will be able to access Swisscom's copper cable, which connects individual houses to their cable. They can demand access to the copper cable in the local exchanges. Based upon the new law, providers may also demand that their net be connected to Swisscom's copper in the local distribution node (partial unbundling).

Moreover, insofar as Swisscom is determined to have a dominant position in the market, it must also offer fast bit-stream access via its copper cable. This form of access is time limited and will only be possible to make such a request for a period of 4 years. Furthermore, the new law contains provisions on access to leased lines and cable ducts.

Notification Instead of License

The licensing regime for providers of telecommunication services is replaced by a notification. The license requirements for the universal services obligation and the use of the frequency spectrum remain in force.

Greater Price Transparency for Mobile Users

Calls from one mobile network to another can cost a multiple of the costs that would be due if a call was placed on the network of the call originator. Due to number portability, it is no longer possible to identify a mobile network by the prefix. Therefore, the new law provides for a warning if calls are made from one to another mobile network.

More Strictly Regulated Value Added Services

The new law introduces maximum amounts that can be charged for value added services, in addition to the notification of the charges. In order to enhance customer protection, the new law requires an offeror of value added services to be domiciled in Switzerland or a signatory state of the Lugano Convention. This assures that customers are able to commence legal action against such a provider also in the Swiss courts.

New Arbitration Service

A new arbitration service will be either established or commissioned by the OFCOM to mediate disputes between the customers and providers of telecommunication services or value-added services. The arbitration proceedings will be financed by both parties, but the major proportion will be borne by the telecommunication providers.

Spam to be Banned

Automatic advertising by a telecommunication service such as by email, fax, automated calling equipment, sms or mms will only be permitted if the recipient has agreed to it.

Jammers

The amended law on telecommunications also regulates the use of jammers. In principle, jamming transmitters may not be used. An exception is made for authorities, which may operate jamming telecommunication equipment in the interest of public safety.

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