EU states, lawmakers on Internet collision course by Reuters: Yahoo! Tech

STRASBOURG, France (Reuters) - European Union states headed for a collision course with the bloc's parliament on Tuesday as a spat over how to tackle illegal downloads threatened a wider telecom reform.

There is broad agreement over the reform package, authored by EU Telecoms Commissioner Viviane Reding, but a last-minute standoff between member countries and parliament has put back final adoption to May at the earliest.

The battle over copyright abuse has emerged as a final sticking point between EU states and the European Parliament, which have joint say. The issue was not part of Reding's reform, which covers infrastructure rather than content.

To help crack down on illegal downloading or sharing of copyright material, the two sides agree that an Internet service provider should be able to cut a subscriber's access if there is approval from "a competent legal authority."

EU member state ambassadors endorsed this at a meeting on Tuesday but said the provision must be in the "recital," or guidelines preceding the body of the telecoms law, an EU official said.

Some members of parliament's industry committee feel that inserting the provision into the law itself would send a tougher message to copyright abusers.

France, which is introducing its own rules to battle copyright abuse, backs their stance.

The industry committee votes on the draft deal on Tuesday evening, setting up a clash with EU states over what some see as a purely political issue rather than one of substance.

"This is the major sticking point. It is clear member states won't agree to this going into the body of the text," an EU diplomat said.

"It would be a shame if the whole reform was held back just because of something which was not in the original proposal."

Some legal experts say the European Court of Justice, the EU's top court, has said in rulings that there is no difference in legal status between a recital and the body of a law.

Reding's reform sets up a pan-EU body of European regulators in electronic communications (BEREC), taking decisions by majority vote instead of the consensual approach adopted when national regulators in the EU discuss policy jointly.

It also clarifies rules on investment so that access for competitors to a dominant, next-generation network for a fee is maintained.
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A "last resort" measure also is given to national regulators to increase competition by "functionally" separating an operator's network from its retail arm, a step opposed by giants such as Deutsche Telekom and Telefonica.

The reform beefs up consumer rights by making it easier to change providers, including being able to switch in one working day.

(Editing by Dale Hudson)