

COMMON POSITION (EC) No 26/2002**adopted by the Council on 28 January 2002****with a view to adopting Directive 2002/.../EC of the European Parliament and of the Council of ... concerning the processing of personal data and the protection of privacy in the electronic communications sector**

(2002/C 113 E/03)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF
THE EUROPEAN UNION,

the Protection of Human Rights and Fundamental
Freedom, and the constitutions of the Member States.

Having regard to the Treaty establishing the European
Community, and in particular Article 95 thereof,

Having regard to the proposal from the Commission ⁽¹⁾,

Having regard to the opinion of the Economic and Social
Committee ⁽²⁾,

Having consulted the Committee of the Regions,

Acting in accordance with the procedure laid down in Article
251 of the Treaty ⁽³⁾,

Whereas:

- (1) Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data ⁽⁴⁾ requires Member States to ensure the rights and freedoms of natural persons with regard to the processing of personal data, and in particular their right to privacy, in order to ensure the free flow of personal data in the Community.
- (2) This Directive seeks to respect the fundamental rights and observes the principles recognised in particular by the Charter of Fundamental Rights of the European Union. In particular, this Directive seeks to ensure full respect for the rights set out in Articles 7 and 8 of that Charter.
- (3) Confidentiality of communications is guaranteed in accordance with the international instruments relating to human rights, in particular the European Convention for

- (4) Directive 97/66/EC of the European Parliament and of the Council of 15 December 1997 concerning the processing of personal data and the protection of privacy in the telecommunications sector ⁽⁵⁾ translated the principles set out in Directive 95/46/EC into specific rules for the telecommunications sector. Directive 97/66/EC has to be adapted to developments in the markets and technologies for electronic communications services in order to provide an equal level of protection of personal data and privacy for users of publicly available electronic communications services, regardless of the technologies used. That Directive should therefore be repealed and replaced by this Directive.

- (5) New advanced digital technologies are currently being introduced in public communications networks in the Community, which give rise to specific requirements concerning the protection of personal data and privacy of the user. The development of the information society is characterised by the introduction of new electronic communications services. Access to digital mobile networks has become available and affordable for a large public. These digital networks have large capacities and possibilities for processing personal data. The successful cross-border development of these services is partly dependent on the confidence of users that their privacy will not be at risk.

- (6) The Internet is overturning traditional market structures by providing a common, global infrastructure for the delivery of a wide range of electronic communications services. Publicly available electronic communications services over the Internet open new possibilities for users but also new risks for their personal data and privacy.

- (7) In the case of public communications networks, specific legal, regulatory, and technical provisions should be made in order to protect fundamental rights and freedoms of natural persons and legitimate interests of legal persons, in particular with regard to the increasing capacity for automated storage and processing of data relating to subscribers and users.

⁽¹⁾ OJ C 365 E, 19.12.2000, p. 223.

⁽²⁾ OJ C 123, 25.4.2001, p. 53.

⁽³⁾ Opinion of the European Parliament of 13 November 2001, Council Common Position of 28 January 2002 and Decision of the European Parliament of ... (not yet published in the Official Journal).

⁽⁴⁾ OJ L 281, 23.11.1995, p. 31.

⁽⁵⁾ OJ L 24, 30.1.1998, p. 1.

- (8) Legal, regulatory, and technical provisions adopted by the Member States concerning the protection of personal data, privacy and the legitimate interest of legal persons, in the electronic communication sector, should be harmonised in order to avoid obstacles to the internal market for electronic communication in accordance with Article 14 of the Treaty. Harmonisation should be limited to requirements necessary to guarantee that the promotion and development of new electronic communications services and networks between Member States are not hindered.
- (9) The Member States, providers and users concerned, together with the competent Community bodies, should cooperate in introducing and developing the relevant technologies where this is necessary to apply the guarantees provided for by this Directive and taking particular account of the objectives of minimising the processing of personal data and of using anonymous or pseudonymous data where possible.
- (10) In the electronic communications sector, Directive 95/46/EC applies in particular to all matters concerning protection of fundamental rights and freedoms, which are not specifically covered by the provisions of this Directive, including the obligations on the controller and the rights of individuals. Directive 95/46/EC applies to non-public communications services.
- (11) Like Directive 95/46/EC, this Directive does not address issues of protection of fundamental rights and freedoms related to activities which are not governed by Community law. Therefore it does not alter the existing balance between the individual's right to privacy and the possibility for Member States to take such measures, as are referred to in Article 15(1) of this Directive, necessary for the protection of public security, defence, State security (including the economic well-being of the State when the activities relate to State security matters) and the enforcement of criminal law. Consequently, this Directive does not affect the ability of Member States to carry out lawful interception of electronic communications or take other measures, if necessary for any of these purposes and in accordance with the European Convention of Human Rights and Fundamental Freedoms. Such measures must be appropriate, strictly proportionate to the intended purpose and necessary within a democratic society.
- (12) Subscribers to a publicly available electronic communications service may be natural or legal persons. By supplementing Directive 95/46/EC, this Directive is aimed at protecting the fundamental rights of natural persons and particularly their right to privacy, as well as the legitimate interests of legal persons. This Directive does not entail an obligation for Member States to extend the application of Directive 95/46/EC to the protection of the legitimate interests of legal persons, which is ensured within the framework of the applicable Community and national legislation.
- (13) The contractual relation between a subscriber and a service provider may entail a periodic or a one-off payment for the service provided or to be provided. Prepaid cards are also considered as a contract.
- (14) Location data may refer to the latitude, longitude and altitude of the user's terminal equipment, to the direction of travel, to the level of accuracy of the location information, to the identification of the network cell in which the terminal equipment is located at a certain point in time and to the time the location information was recorded.
- (15) A communication may include any naming, numbering or addressing information provided by the sender of a communication or the user of a connection to carry out the communication. Traffic data may include any translation of this information by the network over which the communication is transmitted for the purpose of carrying out the transmission. Traffic data may, *inter alia*, consist of data referring to the routing, duration, time or volume of a communication, to the protocol used, to the location of the terminal equipment of the sender or recipient, to the network on which the communication originates or terminates, to the beginning, end or duration of a connection. They may also consist of the format in which the communication is conveyed by the network.
- (16) Information that is part of a broadcasting service provided over a public communications network is intended for a potentially unlimited audience and does not constitute a communication in the sense of this Directive. However, in cases where the individual subscriber or user receiving such information can be identified, for example with video-on-demand services, the information conveyed is covered within the meaning of a communication for the purposes of this Directive.
- (17) For the purposes of this Directive, consent of a user or subscriber, regardless of whether the latter is a natural or a legal person, should have the same meaning as the data subject's consent as defined and further specified in Directive 95/46/EC. Consent may be given by any appropriate method enabling a freely given specific and informed indication of the user's wishes, including by ticking a box when visiting an Internet website.
- (18) Value added services may, for example, consist of advice on least expensive tariff packages, route guidance, traffic information, weather forecasts and tourist information.

- (19) The application of certain requirements relating to presentation and restriction of calling- and connected-line identification and to automatic call-forwarding to subscriber lines connected to analogue exchanges should not be made mandatory in specific cases where such application would prove to be technically impossible or would require a disproportionate economic effort. It is important for interested parties to be informed of such cases and the Member States should therefore notify them to the Commission.
- (20) Service providers should take appropriate measures to safeguard the security of their services, if necessary in conjunction with the provider of the network, and inform subscribers of any special risks of a breach of the security of the network. Such risks may especially occur for electronic communications services over an open network such as the Internet or analogue mobile telephony. It is particularly important for subscribers and users of such services to be fully informed by their service provider of the existing security risks which lie outside the scope of possible remedies by the service provider. Service providers who offer publicly available electronic communications services over the Internet should inform users and subscribers of measures they can take to protect the security of their communications for instance by using specific types of software or encryption technologies. The requirement to inform subscribers of particular security risks does not discharge a service provider from the obligation to take, at his own costs, appropriate and immediate measures to remedy any new, unforeseen security risks and restore the normal security level of the service. The provision of information about security risks to the subscriber should be free of charge except for any nominal costs which the subscriber may incur while receiving or collecting the information, for instance by downloading an electronic mail message. Security is appraised in the light of Article 17 of Directive 95/46/EC.
- (21) Measures should be taken to prevent unauthorised access to communications in order to protect the confidentiality of communications, including both the contents and any data related to such communications, by means of public communications networks and publicly available electronic communications services. National legislation in some Member States only prohibits intentional unauthorised access to communications.
- (22) The prohibition of storage of communications and the related traffic data by others than the users or without their consent is not intended to prohibit any automatic, intermediate and transient storage of this information in so far as this takes place for the sole purpose of carrying out the transmission in the electronic communications network and provided that the information is not stored for any period longer than is necessary for the transmission and for traffic management purposes, and that during the period of storage the confidentiality remains guaranteed. Where this is necessary for making more efficient the onward transmission of any publicly accessible information to other recipients of the service at their request, this Directive should not prevent such information from being further stored, provided that this information would in any case be accessible to the public without restriction and that any data referring to the individual subscribers or users requesting such information are erased.
- (23) Confidentiality of communications should also be ensured in the course of lawful business practice. Where necessary and legally authorised, communications can be recorded for the purpose of providing evidence of a commercial transaction. Directive 95/46/EC applies to such processing. Parties to the communications should be informed prior to the recording about the recording, its purpose and the duration of its storage. The recorded communication should be erased as soon as possible and in any case at the latest by the end of the period during which the transaction can be lawfully challenged.
- (24) Terminal equipment of users of electronic communications networks and any information stored on such equipment are part of the private sphere of the users requiring protection under the European Convention for the Protection of Human Rights and Fundamental Freedoms. 'Spyware', 'web bugs', 'hidden identifiers' and other similar devices can enter the user's terminal without their knowledge in order to gain access to information, to store hidden information or to trace the activities of the user and may seriously intrude the privacy of these users. The use of such devices should be allowed only for legitimate purposes, with the knowledge of the users concerned.
- (25) However, such devices, for instance 'cookies', can be a legitimate and useful tool, for example, in analysing the effectiveness of website design and advertising, and in verifying the identity of users engaged in online transactions. Where such devices, for instance cookies, are intended for a legitimate purpose, such as to facilitate the provision of information society services, their use should be allowed on condition that clear and precise prior information about the purposes of cookies or similar devices is provided by the operator of a website sending such devices or allowing third parties to send them via his website. The website operator should also give users at least the opportunity to refuse to have a cookie or similar device stored on their terminal equipment. Information and the right to refuse may be offered once for the use of various devices to be installed on the user's terminal equipment during the same connection and also covering any further use that may be made of those devices during subsequent connections. The methods for giving information, offering a right to refuse or requesting consent should be made as user friendly as possible. Access to specific website content may still be made conditional on the well-informed acceptance of a cookie or similar device, if it is used for a legitimate purpose.

- (26) The data relating to subscribers processed within electronic communications networks to establish connections and to transmit information contain information on the private life of natural persons and concern the right to respect for their correspondence or concern the legitimate interests of legal persons. Such data may only be stored to the extent that is necessary for the provision of the service for the purpose of billing and for interconnection payments, and for a limited time. Any further processing of such data which the provider of the publicly available electronic communications services may want to perform for the marketing of electronic communications services or for the provision of value added services, may only be allowed if the subscriber has agreed to this on the basis of accurate and full information given by the provider of the publicly available electronic communications services about the types of further processing it intends to perform and about the subscriber's right not to give or to withdraw his consent to such processing. Traffic data used for marketing communications services or for the provision of value added services should also be erased or made anonymous after the provision of the service. Service providers should always keep subscribers informed of the types of data they are processing and the purposes and duration for which this is done.
- (27) The exact moment of the completion of the transmission of a communication, after which traffic data should be erased except for billing purposes, may depend on the type of electronic communications service that is provided. For instance for a voice telephony call the transmission will be completed as soon as either of the users terminates the connection. For electronic mail, the transmission is completed as soon as the addressee collects the message, typically from the server of his service provider.
- (28) The obligation to erase traffic data or to make such data anonymous when it is no longer needed for the purpose of the transmission of a communication does not conflict with such procedures on the Internet as the caching in the domain name system of IP-addresses or the caching of IP-addresses to physical address bindings or the use of log in information to control the right of access to networks or services.
- (29) The service provider may process traffic data relating to subscribers and users where necessary in individual cases in order to detect technical failure or errors in the transmission of communications. Traffic data necessary for billing purposes may also be processed by the provider in order to detect and stop fraud consisting of unpaid use of the electronic communications service.
- (30) Systems for the provision of electronic communications networks and services should be designed to limit the amount of personal data necessary to a strict minimum. Any activities related to the provision of the electronic communications service that go beyond the transmission of a communication and the billing thereof should be based on aggregated, traffic data that cannot be related to subscribers or users. Where such activities cannot be based on aggregated data, they should be considered as value added services for which the consent of the subscriber is required.
- (31) Whether the consent to be obtained for the processing of personal data with a view to providing a particular value added service should be that of the user or of the subscriber, will depend on the data to be processed and on the type of service to be provided and on whether it is technically, procedurally and contractually possible to distinguish the individual using an electronic communications service from the legal or natural person having subscribed to it.
- (32) Where the provider of an electronic communications service or of a value added service subcontracts the processing of personal data necessary for the provision of these services to another entity, such subcontracting and subsequent data processing should be in full compliance with the requirements regarding controllers and processors of personal data as set out in Directive 95/46/EC. Where the provision of a value added service requires that traffic or location data are forwarded from an electronic communications service provider to a provider of value added services, the subscribers or users to whom the data are related should also be fully informed of this forwarding before giving their consent for the processing of the data.
- (33) The introduction of itemised bills has improved the possibilities for the subscriber to check the accuracy of the fees charged by the service provider but, at the same time, it may jeopardise the privacy of the users of publicly available electronic communications services. Therefore, in order to preserve the privacy of the user, Member States should encourage the development of electronic communication service options such as alternative payment facilities which allow anonymous or strictly private access to publicly available electronic communications services, for example calling cards and facilities for payment by credit card. To the same end, Member States may ask the operators to offer their subscribers a different type of detailed bill in which a certain number of digits of the called number have been deleted.

- (34) It is necessary, as regards calling-line identification, to protect the right of the calling party to withhold the presentation of the identification of the line from which the call is being made and the right of the called party to reject calls from unidentified lines. There is justification for overriding the elimination of calling-line identification presentation in specific cases. Certain subscribers, in particular helplines and similar organisations, have an interest in guaranteeing the anonymity of their callers. It is necessary, as regards connected-line identification, to protect the right and the legitimate interest of the called party to withhold the presentation of the identification of the line to which the calling party is actually connected, in particular in the case of forwarded calls. The providers of publicly available electronic communications services should inform their subscribers of the existence of calling- and connected-line identification in the network and of all services which are offered on the basis of calling- and connected-line identification as well as the privacy options which are available. This will allow the subscribers to make an informed choice about the privacy facilities they may want to use. The privacy options which are offered on a per-line basis do not necessarily have to be available as an automatic network service but may be obtainable through a simple request to the provider of the publicly available electronic communications service.
- (35) In digital mobile networks, location data giving the geographic position of the terminal equipment of the mobile user are processed to enable the transmission of communications. Such data are traffic data covered by Article 6 of this Directive. However, in addition, digital mobile networks may have the capacity to process location data which are more precise than is necessary for the transmission of communications and which are used for the provision of value added services such as services providing individualised traffic information and guidance to drivers. The processing of such data for value added services should only be allowed where subscribers have given their consent. Even in cases where subscribers have given their consent, they should have a simple means to temporarily deny the processing of location data, free of charge.
- (36) Member States may restrict the users' and subscribers' rights to privacy with regard to calling-line identification where this is necessary to trace nuisance calls and with regard to calling-line identification and location data where this is necessary to allow emergency services to carry out their tasks as effectively as possible. For these purposes, Member States may adopt specific provisions to entitle providers of electronic communications services to provide access to calling-line identification and location data without the prior consent of the users or subscribers concerned.
- (37) Safeguards should be provided for subscribers against the nuisance which may be caused by automatic call forwarding by others. Moreover, in such cases, it must be possible for subscribers to stop the forwarded calls being passed on to their terminals by simple request to the provider of the publicly available electronic communications service.
- (38) Directories of subscribers to electronic communications services are widely distributed and public. The right to privacy of natural persons and the legitimate interest of legal persons require that subscribers are able to determine whether their personal data are published in a directory and if so, which. Providers of public directories should inform the subscribers to be included in such directories of the purposes of the directory and of any particular usage which may be made of electronic versions of public directories especially through search functions embedded in the software, such as reverse search functions enabling users of the directory to discover the name and address of the subscriber on the basis of a telephone number only.
- (39) The obligation to inform subscribers of the purpose(s) of public directories in which their personal data are to be included should be imposed on the party collecting the data for such inclusion. Where the data may be transmitted to one or more third parties, the subscriber should be informed of this possibility and of the recipient or the categories of possible recipients. Any transmission should be subject to the condition that the data may not be used for other purposes than those for which they were collected. If the party collecting the data from the subscriber or any third party to whom the data have been transmitted wishes to use the data for an additional purpose, the renewed consent of the subscriber is to be obtained either by the initial party collecting the data or by the third party to whom the data have been transmitted.
- (40) Safeguards should be provided for subscribers against intrusion of their privacy by unsolicited communications for direct marketing purposes in particular by means of automated calling machines, faxes, and e-mails, including SMS messages. These forms of unsolicited commercial communications may on the one hand be relatively easy and cheap to send and on the other may impose a burden and/or cost on the recipient. Moreover, in some cases their volume may also cause difficulties for electronic communications networks and terminal equipment. For such forms of unsolicited communications for direct marketing, it is justified to require that prior explicit consent of the recipients is obtained before such communications are addressed to them. The single market requires a harmonised approach to ensure simple, Community-wide rules for businesses and users.

- (41) However, within the context of an existing customer relationship, it is reasonable to allow the use of electronic contact details for the offering of similar products or services as those originally purchased by the customer, but only by the same company that has obtained the contact details directly from the customer. When contact details are obtained, the customer should be informed about their further use for direct marketing in a clear manner, and be given the opportunity to refuse such usage. This opportunity should continue to be offered with each subsequent direct marketing message, free of charge, except for any costs for the transmission of this refusal.
- (42) Other forms of direct marketing that are more costly for the sender and impose no financial costs on subscribers and users, such as person-to-person voice telephony calls, may justify the maintenance of a system giving subscribers or users the possibility to indicate that they do not want to receive such calls. Nevertheless, in order not to decrease existing levels of privacy protection, Member States should be entitled to uphold national systems, only allowing such calls to subscribers and users who have given their prior consent.
- (43) To facilitate effective enforcement of Community rules on unsolicited messages for direct marketing, it is necessary to prohibit the use of false identities or false return addresses or numbers while sending unsolicited messages for direct marketing purposes.
- (44) Direct marketing activities carried out by political, charity or other organisations, for instance activities aimed at recruiting new members, fund-raising or lobbying for votes, are included in the concept of direct marketing as established by Directive 95/46/EC. Messages by political organisations or others for purposes other than direct marketing, for example the expression of views, thoughts and ideas, are not covered by the provisions on unsolicited communications of this Directive.
- (45) This Directive is without prejudice to the arrangements which Member States make to protect the legitimate interests of legal persons with regard to unsolicited communications for direct marketing purposes. Where Member States establish an opt-out register for such communications to legal persons, mostly business users, the provisions of Article 7 of Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the internal market (Directive on electronic commerce) ⁽¹⁾ are fully applicable.
- (46) The functionalities for the provision of electronic communications services may be integrated in the network or in any part of the terminal equipment of the user, including the software. The protection of the personal data and the privacy of the user of publicly available electronic communications services should be independent of the configuration of the various components necessary to provide the service and of the distribution of the necessary functionalities between these components. Directive 95/46/EC covers any form of processing of personal data regardless of the technology used. The existence of specific rules for electronic communications services alongside general rules for other components necessary for the provision of such services may not facilitate the protection of personal data and privacy in a technology neutral way. It may therefore be necessary to adopt measures requiring manufacturers of certain types of equipment used for electronic communications services to construct their product in such a way as to incorporate safeguards to ensure that the personal data and privacy of the user and subscriber are protected. The adoption of such measures in accordance with Directive 1999/5/EC of the European Parliament and of the Council of 9 March 1999 on radio equipment and telecommunications terminal equipment and the mutual recognition of their conformity ⁽²⁾ will ensure that the introduction of technical features of electronic communication equipment including software for data protection purposes is harmonised in order to be compatible with the implementation of the internal market.
- (47) Where the rights of the users and subscribers are not respected, national legislation should provide for judicial remedies. Penalties should be imposed on any person, whether governed by private or public law, who fails to comply with the national measures taken under this Directive.
- (48) It is useful, in the field of application of this Directive, to draw on the experience of the Working Party on the Protection of Individuals with regard to the Processing of Personal Data composed of representatives of the supervisory authorities of the Member States, set up by Article 29 of Directive 95/46/EC.
- (49) To facilitate compliance with the provisions of this Directive, certain specific arrangements are needed for processing of data already under way on the date that national implementing legislation pursuant to this Directive enters into force,

⁽¹⁾ OJ L 178, 17.7.2000, p. 1.

⁽²⁾ OJ L 91, 7.4.1999, p. 10.

HAVE ADOPTED THIS DIRECTIVE:

Article 1

Scope and aim

1. This Directive harmonises the provisions of the Member States required to ensure an equivalent level of protection of fundamental rights and freedoms, and in particular the right to privacy, with respect to the processing of personal data in the electronic communications sector and to ensure the free movement of such data and of electronic communication equipment and services in the Community.

2. The provisions of this Directive particularise and complement Directive 95/46/EC for the purposes mentioned in paragraph 1. Moreover, they provide for protection of the legitimate interests of subscribers who are legal persons.

3. This Directive shall not apply to activities which fall outside the scope of the Treaty establishing the European Community, such as those covered by Titles V and VI of the Treaty on European Union, and in any case to activities concerning public security, defence, State security (including the economic well-being of the State when the activities relate to State security matters) and the activities of the State in areas of criminal law.

Article 2

Definitions

Save as otherwise provided, the definitions in Directive 95/46/EC and in Directive 2002/.../EC of the European Parliament and of the Council of ... on a common regulatory framework for electronic communications networks and services (framework Directive) ⁽¹⁾, shall apply.

The following definitions shall also apply:

- (a) 'user' means any natural person using a publicly available electronic communications service, for private or business purposes, without necessarily having subscribed to this service;
- (b) 'traffic data' means any data processed for the purpose of the conveyance of a communication on an electronic communications network or for the billing thereof;
- (c) 'location data' means any data processed in an electronic communications network, indicating the geographic position of the terminal equipment of a user of a publicly available electronic communications service;
- (d) 'communication' means any information exchanged or conveyed between a finite number of parties by means of

a publicly available electronic communications service. This does not include any information conveyed as part of a broadcasting service to the public over an electronic communications network except to the extent that the information can be related to the identifiable subscriber or user receiving the information;

- (e) 'call' means a connection established by means of a publicly available telephone service allowing two-way communication in real time;
- (f) 'consent' by a user or subscriber corresponds to the data subject's consent in Directive 95/46/EC;
- (g) 'value added service' means any service which requires the processing of traffic data or location data other than traffic data beyond that which is necessary for the transmission of a communication or the billing thereof;
- (h) 'electronic mail' means any text, voice, sound or image message sent over a public communications network which can be stored in the network or in the recipient's terminal equipment until it is collected by the recipient.

Article 3

Services concerned

1. This Directive shall apply to the processing of personal data in connection with the provision of publicly available electronic communications services in public communications networks in the Community.

2. Articles 8, 10 and 11 shall apply to subscriber lines connected to digital exchanges and, where technically possible and if it does not require a disproportionate economic effort, to subscriber lines connected to analogue exchanges.

3. Cases where it would be technically impossible or require a disproportionate economic effort to fulfil the requirements of Articles 8, 10 and 11 shall be notified to the Commission by the Member States.

Article 4

Security

1. The provider of a publicly available electronic communications service must take appropriate technical and organisational measures to safeguard security of its services, if necessary in conjunction with the provider of the public communications network with respect to network security. Having regard to the state of the art and the cost of their implementation, these measures shall ensure a level of security appropriate to the risk presented.

⁽¹⁾ OJ L ...

2. In case of a particular risk of a breach of the security of the network, the provider of a publicly available electronic communications service must inform the subscribers concerning such risk and, where the risk lies outside the scope of the measures to be taken by the service provider, of any possible remedies, including an indication of the likely costs involved.

Article 5

Confidentiality of the communications

1. Member States shall ensure the confidentiality of communications and the related traffic data by means of a public communications network and publicly available electronic communications services, through national legislation. In particular, they shall prohibit listening, tapping, storage or other kinds of interception or surveillance of communications and the related traffic data, by persons other than users, without the consent of the users concerned, except when legally authorised to do so, in accordance with Article 15(1). This paragraph shall not prevent technical storage which is necessary for the conveyance of a communication without prejudice to the principle of confidentiality.

2. Paragraph 1 shall not affect any legally authorised recording of communications and the related traffic data when carried out in the course of lawful business practice for the purpose of providing evidence of a commercial transaction or of any other business communication.

3. Member States shall ensure that the use of electronic communications networks to store information or to gain access to information stored in the terminal equipment of a subscriber or user is only allowed on condition that the subscriber or user concerned receives in advance clear and comprehensive information, *inter alia*, about the purposes of the processing, in accordance with Directive 95/46/EC, and is offered the right to refuse such processing by the data controller. This shall not prevent any technical storage or access for the sole purpose of carrying out or facilitating the transmission of a communication over an electronic communications network, or as strictly necessary in order to provide an information society service explicitly requested by the subscriber or user.

Article 6

Traffic data

1. Traffic data relating to subscribers and users processed and stored by the provider of a public communications network or publicly available electronic communications service must be erased or made anonymous when it is no longer needed for the purpose of the transmission of a communication without prejudice to paragraphs 2, 3, 5 of this Article and Article 15(1).

2. Traffic data necessary for the purposes of subscriber billing and interconnection payments may be processed. Such

processing is permissible only up to the end of the period during which the bill may lawfully be challenged or payment pursued.

3. For the purpose of marketing electronic communications services or for the provision of value added services, the provider of a publicly available electronic communications service may process the data referred to in paragraph 1 to the extent and for the duration necessary for such services or marketing, if the subscriber or user to whom the data relate has given his consent. Users or subscribers shall be given the possibility to withdraw their consent for the processing of traffic data at any time.

4. The service provider must inform the subscriber or user of the types of traffic data which are processed and of the duration of such processing for the purposes mentioned in paragraph 2 and, prior to obtaining consent, for the purposes mentioned in paragraph 3.

5. Processing of traffic data, in accordance with paragraphs 1, 2, 3 and 4, must be restricted to persons acting under the authority of providers of the public communications networks and publicly available electronic communications services handling billing or traffic management, customer enquiries, fraud detection, marketing electronic communications services or providing a value added service, and must be restricted to what is necessary for the purposes of such activities.

6. Paragraphs 1, 2, 3 and 5 shall apply without prejudice to the possibility for competent bodies to be informed of traffic data in conformity with applicable legislation with a view to settling disputes, in particular interconnection or billing disputes.

Article 7

Itemised billing

1. Subscribers shall have the right to receive non-itemised bills.

2. Member States shall apply national provisions in order to reconcile the rights of subscribers receiving itemised bills with the right to privacy of calling users and called subscribers, for example by ensuring that sufficient alternative privacy enhancing methods of communications or payments are available to such users and subscribers.

Article 8

Presentation and restriction of calling-and connected-line identification

1. Where presentation of calling-line identification is offered, the service provider must offer the calling user the possibility, using a simple means and free of charge, of preventing the presentation of the calling-line identification on a per-call basis. The calling subscriber must have this possibility on a per-line basis.

2. Where presentation of calling-line identification is offered, the service provider must offer the called subscriber the possibility, using a simple means and free of charge for reasonable use of this function, of preventing the presentation of the calling-line identification of incoming calls.

3. Where presentation of calling-line identification is offered and where the calling-line identification is presented prior to the call being established, the service provider must offer the called subscriber the possibility, using a simple means, of rejecting incoming calls where the presentation of the calling-line identification has been prevented by the calling user or subscriber.

4. Where presentation of connected-line identification is offered, the service provider must offer the called subscriber the possibility, using a simple means and free of charge, of preventing the presentation of the connected-line identification to the calling user.

5. Paragraph 1 shall also apply with regard to calls to non-member countries originating in the Community. Paragraphs 2, 3 and 4 shall also apply to incoming calls originating in non-member countries.

6. Member States shall ensure that where presentation of calling-and/or connected-line identification is offered, the providers of publicly available electronic communications services inform the public thereof and of the possibilities set out in paragraphs 1, 2, 3 and 4.

Article 9

Location data other than traffic data

1. Where location data other than traffic data, relating to users or subscribers of public communications networks or publicly available electronic communications services can be processed, such data may only be processed when they are made anonymous, or with the consent of the users or subscribers to the extent and for the duration necessary for the provision of a value added service. The service provider must inform the users or subscribers, prior to obtaining their consent, of the type of location data other than traffic data which will be processed, of the purposes and duration of the processing and whether the data will be transmitted to a third party for the purpose of providing the value added service. Users or subscribers shall be given the possibility to withdraw their consent for the processing of location data other than traffic data at any time.

2. Where consent of the users or subscribers has been obtained for the processing of location data other than traffic data, the user or subscriber must continue to have the possibility, using a simple means and free of charge, of temporarily refusing the processing of such data for each connection to the network or for each transmission of a communication.

3. Processing of location data other than traffic data in accordance with paragraphs 1 and 2 must be restricted to persons acting under the authority of the provider of the public communications network or publicly available communications service or of the third party providing the value added service, and must be restricted to what is necessary for the purposes of providing the value added service.

Article 10

Exceptions

Member States shall ensure that there are transparent procedures governing the way in which a provider of a public communications network and/or a publicly available electronic communications service may override:

- (a) the elimination of the presentation of calling-line identification, on a temporary basis, upon application of a subscriber requesting the tracing of malicious or nuisance calls. In this case, in accordance with national law, the data containing the identification of the calling subscriber will be stored and be made available by the provider of a public communications network and/or publicly available electronic communications service;
- (b) the elimination of the presentation of calling-line identification and the temporary denial or absence of consent of a subscriber or user for the processing of location data, on a per-line basis for organisations dealing with emergency calls and recognised as such by a Member State, including law enforcement agencies, ambulance services and fire brigades, for the purpose of responding to such calls.

Article 11

Automatic call forwarding

Member States shall ensure that any subscriber has the possibility, using a simple means and free of charge, of stopping automatic call forwarding by a third party to the subscriber's terminal.

Article 12

Directories of subscribers

1. Member States shall ensure that subscribers are informed, free of charge, about the purpose(s) of printed or electronic directories of subscribers available to the public or obtainable through directory enquiry services, in which their personal data can be included and of any further usage possibilities based on search functions embedded in electronic versions of the directory.

2. Member States shall ensure that subscribers are given the opportunity, to determine whether their personal data are included in a public directory, and if so, which, to the extent that such data are relevant for the purpose of the directory as determined by the provider of the directory, and to verify, correct or withdraw such data. Not being included in a public subscriber directory, verifying, correcting or withdrawing personal data from it shall be free of charge.

3. Member States shall ensure that for any purpose of a public directory other than the search of contact details of persons on the basis of their name and, where necessary, a minimum of other identifiers, the additional consent of the subscribers is required.

4. Paragraphs 1 and 2 shall apply to subscribers who are natural persons. Member States shall also ensure, in the framework of Community law and applicable national legislation, that the legitimate interests of subscribers other than natural persons with regard to their entry in public directories are sufficiently protected.

Article 13

Unsolicited communications

1. The use of automated calling systems without human intervention (automatic calling machines), fax machines or electronic mail for the purposes of direct marketing may only be allowed in respect of subscribers who have given their prior consent.

2. Notwithstanding paragraph 1, where a natural or legal person obtains electronic contact details for electronic mail directly from its customers, in the context of the purchase of a product or a service, in accordance with Directive 95/46/EC, the same natural or legal person may use these electronic contact details for direct marketing of its own similar products or services, provided that customers are given the opportunity to object clearly and distinctly, free of charge and in an easy manner, to such use of electronic contact details when they are collected and on the occasion of each message where the customer has not initially refused such use.

3. Member States shall take appropriate measures to ensure that, free of charge, unsolicited communications for purposes of direct marketing, by means other than those referred to in paragraph 1, are not allowed either without the consent of the subscribers concerned or in respect of subscribers who do not wish to receive these communications, the choice between these options to be determined by national legislation.

4. In any event, the practice of sending electronic mail for purposes of direct marketing disguising or concealing the

identity of the sender on whose behalf the communication is made, or without a valid address to which the recipient may send a request that such communications cease, shall be prohibited.

5. Paragraphs 1 and 3 shall apply to subscribers who are natural persons. Member States shall also ensure, in the framework of Community law and applicable national legislation, that the legitimate interests of subscribers other than natural persons with regard to unsolicited communications are sufficiently protected.

6. The Commission shall submit to the European Parliament and the Council, not later than three years after the date of application given in Article 17(1), a report on the effects on consumers and economic operators of this Article, taking into account the international environment. Where appropriate, the Commission shall submit proposals for the amendment of this provision to take account of the results of the abovementioned report and any changes in the sector and any other proposal it may deem necessary.

Article 14

Technical features and standardisation

1. In implementing the provisions of this Directive, Member States shall ensure, subject to paragraphs 2 and 3, that no mandatory requirements for specific technical features are imposed on terminal or other electronic communication equipment which could impede the placing of equipment on the market and the free circulation of such equipment in and between Member States.

2. Where provisions of this Directive can be implemented only by requiring specific technical features in electronic communications networks, Member States shall inform the Commission in accordance with the procedure provided for by Directive 98/34/EC of the European Parliament and of the Council of 22 June 1998 laying down a procedure for the provision of information in the field of technical standards and regulations ⁽¹⁾.

3. Where required, the Commission shall adopt measures to ensure that terminal equipment is constructed in a way that is compatible with the right of users to protect and control the use of their personal data, in accordance with Directive 1999/5/EC of the European Parliament and of the Council of 9 March 1999 on radio equipment and telecommunications terminal equipment and the mutual recognition of their conformity ⁽²⁾ and Council Decision 87/95/EEC of 22 December 1986 on standardisation in the field of information technology and communications ⁽³⁾.

⁽¹⁾ OJ L 204, 21.7.1998, p. 37. Directive as amended by Directive 98/48/EC (OJ L 217, 5.8.1998, p. 18).

⁽²⁾ OJ L 91, 7.4.1999, p. 10.

⁽³⁾ OJ L 36, 7.2.1987, p. 31. Decision as last amended by the 1994 Act of Accession.

Article 15

Application of certain provisions of Directive 95/46/EC

1. Member States may adopt legislative measures to restrict the scope of the rights and obligations provided for in Article 5, Article 6, Article 8(1)(2)(3) and (4), and Article 9 of this Directive when such restriction constitutes a necessary measure to safeguard national security, (i.e. State security) defence, public security or the prevention, investigation, detection and prosecution of criminal offences or of unauthorised use of the electronic communications system, as referred to in Article 13(1) of Directive 95/46/EC. To this end Member States may, *inter alia*, provide for the retention of data for a limited period justified on the grounds laid down in this paragraph, in accordance with the general principles of Community law.

2. The provisions of Chapter III on judicial remedies, liability and sanctions of Directive 95/46/EC shall apply with regard to national provisions adopted pursuant to this Directive and with regard to the individual rights derived from this Directive.

3. The Working Party on the Protection of Individuals with regard to the Processing of Personal Data instituted by Article 29 of Directive 95/46/EC shall also carry out the tasks laid down in Article 30 of that Directive with regard to matters covered by this Directive, namely the protection of fundamental rights and freedoms and of legitimate interests in the electronic communications sector.

Article 16

Transitional arrangements

1. Article 12 shall not apply to editions of directories already produced or placed on the market in printed or off-line electronic form before the national provisions adopted pursuant to this Directive enter into force.

2. Where the personal data of subscribers to fixed public voice telephony services have been included in a public subscriber directory in conformity with the provisions of Article 11 of Directive 97/66/EC before the national provisions adopted in pursuance of this Directive enter into force, the personal data of such subscribers may remain included in this public directory in its printed or electronic versions, unless subscribers indicate otherwise, after having received complete information about purposes and options in accordance with Article 12 of this Directive.

Article 17

Transposition

1. Before ... (*) Member States shall adopt and publish the provisions necessary to comply with this Directive. They shall forthwith inform the Commission thereof.

They shall apply these provisions from ... (*).

When Member States adopt those provisions, they shall contain a reference to this Directive or be accompanied by such a reference on the occasion of their official publication. The methods of making such reference shall be laid down by the Member States.

2. Member States shall communicate to the Commission the text of the provisions of national law which they adopt in the field governed by this Directive and of any subsequent amendments to those provisions.

Article 18

Repeal

Directive 97/66/EC is repealed with effect from the date of application referred to in Article 17(1).

References made to the repealed Directive shall be construed as being made to this Directive.

Article 19

Entry into force

This Directive shall enter into force on the day of its publication in the *Official Journal of the European Communities*.

Article 20

Addressees

This Directive is addressed to the Member States.

Done at ...

For the European Parliament
The President

For the Council
The President

(*) ... months after the date of entry into force of this Directive.

STATEMENT OF THE COUNCIL'S REASONS

I. INTRODUCTION

1. The Commission forwarded the above proposal for a Directive to the Council on 28 August 2000 ⁽¹⁾.
2. The European Parliament delivered its opinion on 13 November 2001.
3. The Economic and Social Committee delivered its opinion on 24 January 2001 ⁽²⁾.
4. The Committee of the Regions informed the Council of its intention not to deliver an opinion on the proposal.

II. OBJECTIVES

The proposed Directive is part of a package of proposals concerning a regulatory framework for electronic communications infrastructure and associated services, adopted by the Commission in mid-2000 with a view to adapting Community legislation to the profound changes which have occurred in telecommunications, media and information technology.

The proposal, which concerns the processing of personal data and the protection of privacy, is not intended to create major changes to the substance of the existing Directive (97/66/EC) but merely adapts and updates its provisions to take account of new and foreseeable developments in electronic communications. It will do this by creating rules which are technologically neutral, while maintaining a high level of data protection and privacy for citizens.

III. ANALYSIS OF THE COMMON POSITION

The Council welcomed the proposal, fully endorsing its objectives and approving most of the provisions.

The Council's amendments to the text of the Commission proposal were motivated by the following major concerns:

- the need to upgrade the level of protection for subscribers and users,
- consideration of the technical requirements involved in providing new communications services,
- a wording better reflecting the balance between protection of privacy requirements and the needs of Member State authorities responsible for ensuring security in a democratic society,
- the need to clarify the scope of the Directive's provisions in accordance with the guidelines on the editorial quality of Community legislation.

In many instances identical or similar changes are adopted in the European Parliament's amendments (see below, Section IV, points 1 and 2).

On two important questions, namely directories of subscribers (Article 12) and unsolicited communications (Article 13), the Council followed the Commission's opt-in approach but introduced technical and other adjustments to the latter's proposal. It was therefore unable to endorse certain European Parliament amendments which marked a departure from the Commission proposal, as explained in point 3 of Section IV.

- The Council agreed in particular to make it possible, under Article 16(2), for directories of voice telephony subscribers to derogate from the obligation to obtain the consent of the persons concerned to the continuing inclusion of their information in these directories.

⁽¹⁾ OJ C 365 E, 19.12.2000, p. 223.

⁽²⁾ OJ C 123, 25.4.2001, p. 53.

The Council also thought it useful to clarify certain areas of the text of the Commission proposal in the light of the serious threat posed by the events of 11 September 2001. Article 15(1) was extended to include the retention of data for a limited period in accordance with the general principles of Community law among the legislative measures which Member States may adopt to safeguard certain major public security interests. Recital 11 was adapted, accordingly, in a balanced way. Finally, a reference to Article 15(1) was added to Article 6(1) as a reminder that limitations on the principle of the erasure of traffic data are possible not only for network or service providers but also for Member States' authorities responsible for defending the aforementioned public interests. In this context, the Council was unable to agree to certain European Parliament amendments (see point 3 of Section IV).

IV. EUROPEAN PARLIAMENT AMENDMENTS

1. European Parliament amendments accepted by the Council

- amendment 2 (new recital 16),
- amendment 7 adopted in recital 26,
- amendment 8 adopted in recital 17,
- amendment 9 adopted in recital 22,
- amendment 10 adopted in recital 23,
- amendment 12 adopted in recital 31,
- amendments 14 and 15 adopted in recital 32,
- amendment 17 adopted in recital 39,
- amendment 21 adopted, subject to certain minor editorial changes, in Article 2(d),
- amendment 22 adopted in Article 2(g) and (h),
- amendment 23 adopted in Article 4(2),
- amendment 24 adopted in Article 5(1),
- amendment 28 adopted in Article 6(3),
- amendment 29 adopted in Article 6(4),
- amendment 30 adopted in Article 6(5),
- amendment 31 adopted in Article 6(6),
- amendment 32 adopted in Article 9, Title and (1), subject to certain editorial discrepancies in the last section.

2. European Parliament amendments accepted in part or in substance by the Council

- amendment 1 adopted with a different wording in recital 2,
- amendment 3 adopted with a different wording in recital 9,
- amendment 5 adopted in part in recital 20,
- amendment 11 adopted with a more flexible wording in recital 33,
- amendment 19, most of which (except the words 'personal data') was adopted in Article 2(b),

amendment 26 adopted as to the principle, albeit with a different approach. The Council wanted to emphasise the different nature of 'cookies' and spyware in recitals 24 and 25 and to ensure respect in Article 5(3) for the rights of the persons concerned, as guaranteed by Directive 95/46/EC. The Council therefore introduced the requirement that subscribers or users be informed in advance of the use of these devices and laid down that they have the right to refuse the latter but not actively to insist on their consent, as provided for in the European Parliament's amendment. The Council took into account the fact, particularly, that in many instances these devices are intended to facilitate provision of the service in question,

amendment 36, the second part of which is adopted in Article 14(3),

amendments 39 and 40 were adopted, except for the words 'editions of', in Article 16(1),

amendment 41 was adopted as to its principle in Article 17(1), on the understanding that the simultaneous entry into force of the various Directives in the telecommunications package should be sought, whilst allowing Member States sufficient time for transposition,

amendment 42 was adopted as to its principle as regards the review of Article 13(6) on unsolicited communications.

3. European Parliament amendments not accepted by the Council

amendment 4 on recital 11

- the Council thought that the text which it had adopted for recital 11 ensured more effectively than this amendment the required balance between protection of privacy and the needs of national authorities responsible for ensuring security. It mentioned both the restrictive measures which could be taken by the Member States and the conditions with which such measures had to comply in accordance with the European Convention on Human Rights,

amendment 6 on recital 21

- the Council preferred to abide by the Commission proposal and thought that the reference to cryptography tools extended the scope of the measures provided for in Article 5(1) in a way which was inappropriate in a recital,

amendment 13 on recital 34

- the Council preferred to abide by the Commission proposal since one element of the amendment did not appear to be wholly compatible with Article 8 and another seemed likely to introduce unnecessary inflexibility,

amendment 18 on Article 1(3)

- the Council preferred to retain the text of the Directive in force and thought that from the standpoint of transparency and legislative clarity it was better to keep the list of activities not covered by the Directive,

amendment 20

- in the Council's view, this amendment was incompatible with amendment 19, virtually all of which it had adopted,

amendment 25

- like the Commission, the Council thought that this addition was inappropriate in the Directive, which concerns communications services accessible to the public on public networks, it being understood that Directive 95/46/EC continues to apply to the employment relationships referred to in this amendment,

amendment 27

- the Council thought that this amendment brought no actual added value to the text of the present Directive and of the Commission proposal,

amendments 16, 33 and 34

- on the matter of directories of subscribers, the Council preferred to follow the Commission's proposed new approach in order to reconcile the opportunity for suppliers to develop directory services with a higher level of subscriber opt-in protection and a simpler wording for Article 12. The Council also took account of the situation in the mobile telephony sector. For these reasons, it did not adopt the European Parliament's amendments, the basic aim of which was to reinstate the text of the present Directive,

amendments 35 and 44 on unsolicited communications

- the text of the Common Position does not include these amendments in so far as they modify the Commission proposal, supported as to its principle by the Council. Indeed, with protection of the subscriber and of technological neutrality in mind, the Council thought that the subscriber consent arrangements should embrace every use of electronic mail for the purposes of direct marketing purposes, and not just SMS, as proposed by the European Parliament. However, it thought that both these amendments and European Parliament amendment 42 could usefully be made more flexible with the inclusion of, respectively, a derogation option in the case of certain previous business relations (Article 13(2)) and a review clause (Article 13(6)). It also adopted in Article 13(4) the textual improvement guaranteeing that dispatches remain fair which was proposed by the European Parliament,

amendment 37

- the Council thought it inappropriate to include details of the case-law of the European Court of Human Rights in an Article of a Community Directive. As previously mentioned, it preferred to do this in more summary fashion in recital 11,

amendment 38

- the Council thought that this European Parliament amendment was inappropriate, since the Working Party instituted by Article 29 of Directive 95/46/EC was a body composed of representatives of Member States' national control authorities responsible for providing the Commission with high-level advice and expertise. The Council was also mindful of the fact that the consultations proposed in this amendment had already taken place nationally or could yet take place at the instigation of the Working Party or of the Commission.
-