

Taking the right decisions: improvements to the new EU roaming regulation

The International Telecommunications User Group INTUG (www.intug.org) is an international association of business users. With members and contacts in all five continents INTUG has a global presence and represents thousands of small, medium and large enterprises. In recent years, INTUG has lobbied successfully for tariff reductions, and for open discriminatory access to infrastructure.

“Europeans for Fair Roaming” (www.fairroaming.org) was started by citizens from all over Europe as a Facebook campaign as has since expanded to become a network bringing together 14 organisations with tens of thousands of members, thousands of citizens and 11 MEPs from across Europe. The network calls on all EU institutions to take steps to end the current unfair practice of mobile phone operators charging high roaming fees when you use your mobile phone in another EU state. Europeans for Fair Roaming is one of the leading stakeholders in the roaming debate and has been mentioned in the NY Times, TheParliament.com, EurActiv and other media.

Common Statement by INTUG and Europeans for Fair Roaming

Over the last few days, the proposed new EU mobile roaming regulation has come before the European Parliament and the Council. While many of the proposed amendments to the regulation are going in the right direction, we call on all institutions to make sure that key elements of the proposal, including the decoupling approach and access to roaming networks are kept, and to consider lower price caps than those proposed.

Decoupling

The proposal to allow end users to choose a different operator for roaming services than their domestic operator is one of the key elements of the new roaming regulation. Only with this innovative proposal will it be possible to establish a competitive market for roaming services that will lead to lower prices that are driven and stabilised by market mechanisms. It removes one of the main current obstacles to lower prices for roaming – the inability of users to opt for lower roaming costs.

We therefore demand that this element of the proposed regulation must not be watered down or removed as this would jeopardize the long-term success of the whole process.

Roaming access/Non-Discrimination

Allowing operators, including mobile virtual network operators (MVNOs), access to roaming services at guaranteed prices is another central part of the proposal, as it will put an end to the artificial inflation of prices caused by the current system of inter-operator agreements. Contracting for mobile services at European level requires pan-EU operators. We believe that the new regulation must not force high hurdles to market entry onto small and virtual operators. If the new rules make it too hard for new and small operators to offer innovative roaming services, there will be no competition and roaming will remain as expensive as it is. And even worse, the existence of small operators and thousands of associated jobs might be threatened if big operators with several national networks across Europe are put at an advantage.

We therefore call for the removal of hurdles for small and virtual operators accessing the roaming market. Furthermore, while the proposed obligation to grant access to other operators for roaming services at the regulated wholesale caps is laudable, on its own it does not suffice to ensure that those operators will be granted access at usable conditions. This provision will only work if a non-discrimination clause is included that will ensure that access for all operators is granted at the same conditions that apply for other operators.

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Prices

As the current prices for roaming services are still much higher than domestic prices, we believe that a faster alignment of roaming prices should be possible. We therefore propose lower price caps for roaming calls and SMS; making the receiving of calls free, and improving the proposed data price caps in the period of regulation.

- To improve the prices for roaming calls, we believe that the following wholesale caps are desirable:
2012: 0,10€/min 2013: 0,06€/min 2013: 0,04€/min
- For active calls in retail, the following price caps are desirable (the first 30 seconds being charged the same):
2012: 0,15€+VAT/min 2013: 0,13€+VAT/min 2014: 0,11€+VAT/min
- For passive calls, prices should be capped further and the receiving of calls when roaming should be free from 2014 on. This is desirable as charging for calls received is not common practice on European mobile phone networks and therefore should not be expected when roaming. It would also create a further incentive for operators to further lower prices for other roaming services. The following price caps would be desirable:
2012: 0,05€+VAT/min 2013: 0,03€+VAT/min 2014: Free
- For SMS in retail, the following prices are desirable:
2012: 0,07€+VAT/min 2013: 0,07€+VAT/min 2014: 0,05€+VAT/min
- While the proposed price caps for data roaming are a laudable step in the right direction, they are still prohibitively expensive and block users from access to the internet at fair prices when abroad. Considering that the prices for mobile data have fallen massively in the last years and the "production" of 1 GB of data costs about 1€ today, so price caps should be set much lower than currently proposed and charged per Kilobyte with no rounding up. For data in retail, the following prices are desirable:
2012: 0,50€+VAT/MB 2013: 0,30€+VAT/MB 2014: 0,10€+VAT/MB

Further steps

In addition to the measures taken by the EU to lower the costs for roaming, further measures should be taken in order to create a single market for fixed and mobile/wireless telecommunications, allowing all Europeans to enjoy borderless communication within the EU. We believe this has become a necessity in order to make the European internal market usable for all citizens and businesses. The EU should therefore actively work on harmonising national telecommunications regulations, especially to ease access for operators to build cross-border networks and to bring termination fees in line across the EU. As a long-term strategy, mobile devices should be enabled to connect to any operator's access network which can provide the contracted signal level, if the contracted service provider cannot, and for there to be no surcharge levied from the customer if another operator's network is used.