



Commission for
Communications Regulation

Information Notice

Implementation of EU Roaming Regulation by Irish Mobile Companies

Second Wave of Irish and EU aggregated roaming data

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1 Background

High roaming charges have been an ongoing concern for consumers. National Regulatory Authorities (NRAs), through the European Regulators Group, highlighted the fact that the 2002 Regulatory Framework prevented Regulators from addressing this issue. The Roaming Regulation was proposed in 2006 by the European Commission, following concerns expressed by NRAs through the European Regulators Group (ERG) over then high prices paid by consumers when using their mobile phone to make and receive calls while travelling within the European Union. The Roaming Regulation - (EC) No 717/2007¹ came into effect on 30 June 2007.

The Regulation requires mobile telephony service providers within the EU to offer their customers a “Eurotariff” for voice calls made and received which complies with price caps specified in the Regulation. The Regulation also places a price cap on the wholesale price that one mobile operator can charge another for the provision of roaming calls at a wholesale level.

The “Eurotariff” was implemented by all Irish mobile operators on or before 1 September 2007 as set out in the Roaming Regulation.

Currently the European Commission is in the process of reviewing the functioning of Regulation EC No 717/2007, the Roaming Regulation. Article 11 of the Roaming Regulation calls on the European Commission to review the functioning of the Regulation and report to the European Parliament and the Council before 30 December 2008. If the Commission finds that there is a need to extend or amend the scope of the Regulation it will submit a proposal as required. The review of the functioning of the Regulation has included the possibility of extending the duration of the Regulation to 2013 and extending the scope of the Regulation to include, a change to billing increments, regulation of text messaging (SMS) and data services. Commissioner Viviane Reding, the EU Commissioner for Information Society and Media, stated in a press release on 15 July 2008² that “*calls on the industry for self-regulation and voluntary reductions of roaming prices for text messages have not been answered*”, and therefore she will recommend to her fellow Commissioners a regulation regarding SMS roaming in October 2008.

This is the second report to be published by ComReg regarding Irish roaming data and it reflects the aggregated Irish and EU mobile roaming data covering the period Q2 2007 to Q1 2008. The report gives an overview of roaming pricing including voice calls made and received, rest of world voice calls, pricing for SMS (text messaging) and data roaming.

The collection of data by National Regulatory Authorities for monitoring purposes is a requirement of the Roaming Regulation. The ERG coordinates the actions of individual NRAs and the data collection exercise has made use of a commonly agreed data model and timing for collection periods. ComReg’s Information Notice is published every six months in line with the ERG data collection timeframes.

¹ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:171:0032:0040:EN:PDF>

² ‘Texting without borders’ <http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/1144>

2 Price Ceilings

The Roaming Regulation sets out the rules regarding the charges that may be levied by mobile operators for the provision of roaming services for voice calls originating and terminating within the European Union at both a wholesale and retail level. The retail ceiling is the maximum charge an operator can charge a consumer for making and receiving a call or another operator.

2.1 Wholesale Price Ceiling

The Roaming Regulation sets out rules regarding the charges that may be levied by mobile operators for the provision of roaming services for voice calls originating and terminating within the European Union at a wholesale level. The price ceiling will reduce at 12 monthly intervals.

Noted below is the average wholesale charge that the mobile service provider of a visited network may levy from the mobile service provider of a roaming customer's home network for the provision of a regulated roaming call originating on that visited network.

Effective Date	30 Aug. 2007	30 Aug. 2008	30 Aug. 2009
Wholesale Roaming Rate per minute	30 cent	28 cent	26 cent

2.2 Retail Price Ceiling

The Roaming Regulation requires mobile service providers to offer all customers a tariff, sometimes called the "Eurotariff". The price ceiling will reduce at 12 monthly intervals in accordance with the details outlined in the table below.

VAT excl.	30 Aug. 2007		30 Aug. 2008		30 Aug. 2009	
	VAT Excl.	VAT @21% Incl.	VAT Excl.	VAT @21% Incl.	VAT Excl.	VAT @21% Incl.
"Eurotariff" limit for calls made within EU per minute	49 cent	59 cent	46 cent	56 cent	43 cent	52 cent
"Eurotariff" limit for calls received within EU per minute	24 cent	29 cent	22 cent	27 cent	19 cent	23 cent

In accordance with the Regulation, on 30 August 2008, the retail price ceiling was reduced. The table below outlines the resulting pricing now in place for each of the Irish mobile operators.

“Eurotariff” roaming rates (VAT Inclusive) - Irish mobile operators

(Prices shown as of 30th August 2008, with billing increments and pricing for various call durations detailed for each operator)

Irish Operator	3		Eircom*		Meteor		O2		Tesco		Vodafone	
Cost Per Min	€0.39	€0.19	€0.55	€0.25	€0.55	€0.25	€0.56	€0.27	€0.56	€0.27	€0.56	€0.27
Call Duration	Made	Received	Made	Received	Made	Received	Made	Received	Made	Received	Made	Received
5 sec's	€0.39	€0.02	€0.55	€0.25	€0.55	€0.25	€0.56	€0.02	€0.56	€0.27	€0.56	€0.27
40 sec's	€0.39	€0.13	€0.55	€0.25	€0.55	€0.25	€0.56	€0.18	€0.56	€0.27	€0.56	€0.27
1 min	€0.39	€0.19	€0.55	€0.25	€0.55	€0.25	€0.56	€0.27	€0.56	€0.27	€0.56	€0.27
1 min 5 sec's	€0.78	€0.21	€0.83	€0.38	€0.83	€0.38	€1.12	€0.29	€1.12	€0.54	€0.84	€0.41
1 min 40 sec's	€0.78	€0.32	€1.10	€0.50	€1.10	€0.50	€1.12	€0.45	€1.12	€0.54	€1.12	€0.54
2 mins	€0.78	€0.38	€1.10	€0.50	€1.10	€0.50	€1.12	€0.54	€1.12	€0.54	€1.12	€0.54
2 mins 5 sec's	€1.17	€0.40	€1.38	€0.63	€1.38	€0.63	€1.68	€0.56	€1.68	€0.81	€1.40	€0.68
2 mins 40 sec's	€1.17	€0.51	€1.65	€0.75	€1.65	€0.75	€1.68	€0.72	€1.68	€0.81	€1.68	€0.81
3 mins	€1.17	€0.57	€1.65	€0.75	€1.65	€0.75	€1.68	€0.81	€1.68	€0.81	€1.68	€0.81
3 mins 5 sec's	€1.56	€0.59	€1.93	€0.88	€1.93	€0.88	€2.24	€0.83	€2.24	€1.08	€1.96	€0.95
3 mins 40 sec's	€1.56	€0.70	€2.20	€1.00	€2.20	€1.00	€2.24	€0.99	€2.24	€1.08	€2.24	€1.08
4 mins	€1.56	€0.76	€2.20	€1.00	€2.20	€1.00	€2.24	€1.08	€2.24	€1.08	€2.24	€1.08
4 mins 5 sec's	€1.95	€0.78	€2.48	€1.13	€2.48	€1.13	€2.80	€1.10	€2.80	€1.35	€2.52	€1.22
4 mins 40 sec's	€1.95	€0.89	€2.75	€1.25	€2.75	€1.25	€2.80	€1.26	€2.80	€1.35	€2.80	€1.35
5 mins	€1.95	€0.95	€2.75	€1.25	€2.75	€1.25	€2.80	€1.35	€2.80	€1.35	€2.80	€1.35
Billing Increments	Calls made billed per min, calls received billed per second		1 minute minimum charge, billed in 30 second increments thereafter		1 minute minimum charge, billed in 30 second increments thereafter		Calls made billed per minute, calls received billed per second		All calls billed per minute (calls made and received)		1 minute minimum charge, billed in 30 second increments thereafter	

Note: Some operators have additional roaming packages which may include higher or lower charges for EU destinations but contain other elements attractive to customers based on individual usage.

* Eircom - business subscription available only.

2.3 Transparency

Irish mobile operators have revised the EU roaming pages on their website to highlight to consumers the price for making and receiving a call while roaming in the EU, as set out in Article 6 of the Roaming Regulation.

The Roaming Regulation also requires mobile service providers to send a free personalised pricing text message (SMS) to an individual's mobile phone while roaming in the EU. In addition, service providers are required to provide a freephone number where detailed price information may be obtained.

ComReg's interactive price comparison website www.callcosts.ie has recently been updated to add a mobile roaming price comparison section. Consumers who are planning to travel within the EU can log onto the website, enter their planned mobile roaming usage, and get an estimate of their mobile roaming costs for that trip.

3 Key Points

A comprehensive set of data was requested by all NRAs from national mobile operators. The data presented in this report and the full ERG comprehensive data report covers the period 1 April 2007 to 31 March 2008 split by calendar quarter.

The following key points are noted regarding the data:-

- Irish retail roaming pricing, as of 31 March 2008, is on a par with or lower than the EU average.
- Irish data analysis for EU/EEA calls made and received confirms compliance by all Irish mobile operators with regard to the regulatory price ceiling.
- Rest of world calls (any call made while roaming outside the EU/EEA) made and received have been consistently lower than the EU average over 4 collection periods.
- The average price per Irish SMS sent while roaming is in line with the EU average, however the price for sending a text while roaming is considerably higher than sending a text message at home.
- The price per megabit of data has fluctuated over the 4 collection periods but has remained lower than the EU average price per megabit. One explanation offered by operators regarding the fluctuation in pricing is that consumers are moving towards bundled offers.
- ComReg has received no complaints from mobile operators in regard to not receiving the regulated wholesale price cap rate for roaming on other networks from other mobile network operators.
- Some mobile operators could not provide a full set of data as requested and in any case of a data gap ComReg made overall assumptions based on the market. ComReg expects full compliance from all mobile operators in the next wave of data collection.

4 Irish Data Analysis

All prices exclude VAT

Figure 1

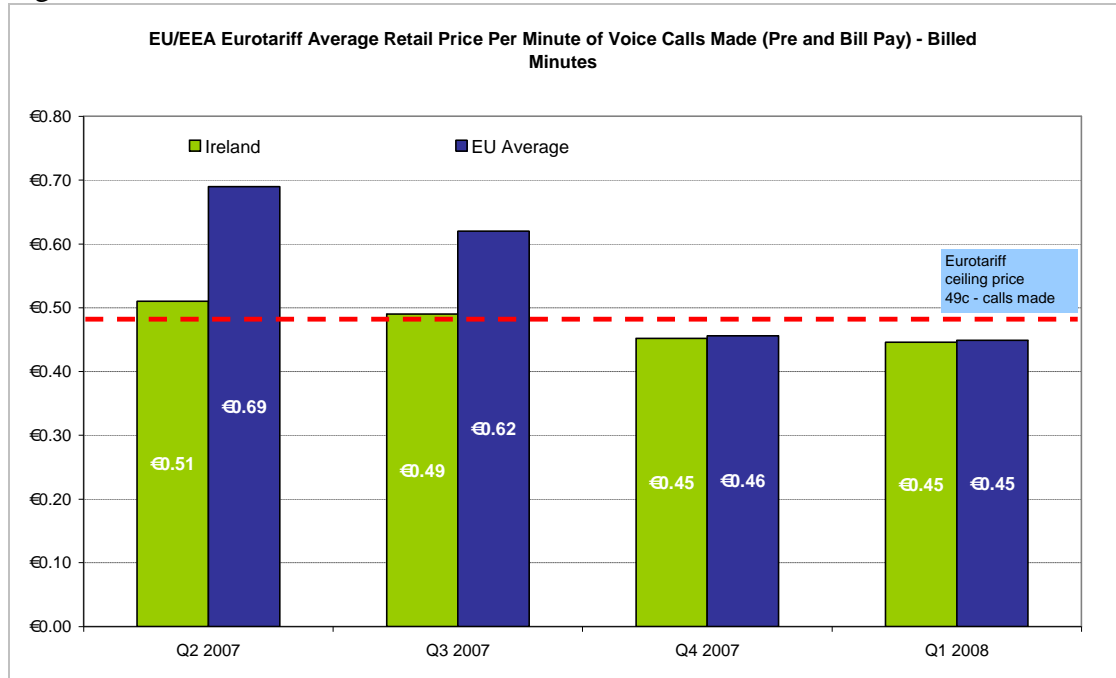


Figure 1 show that Ireland’s “Eurotariff” for calls made was at the regulated tariff in Q3 2007 and subsequently declined. Ireland’s “Eurotariff” was at the EU average in Q1 2008.

Figure 2

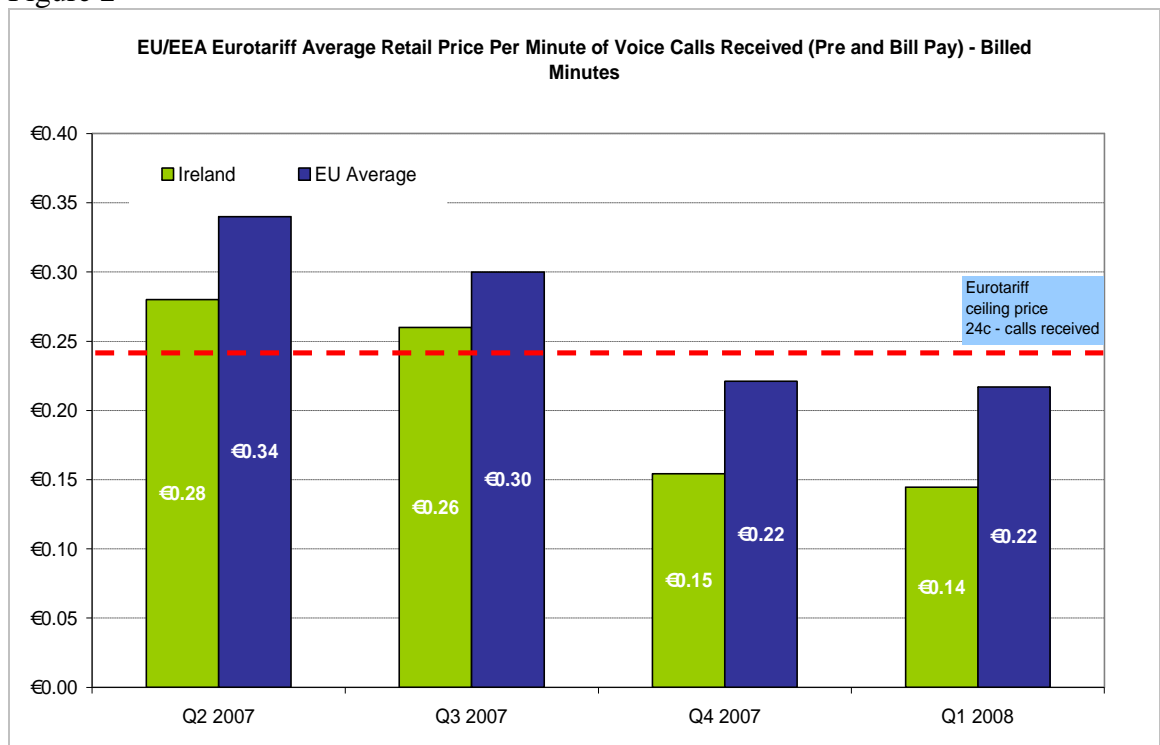


Figure 2 indicates that Ireland’s “Eurotariff” for calls received followed a similar pattern to the EU average over the four quarters and was substantially below the regulated tariff in Q4 2007 and Q1 2008.

Note on Fig 2: While Q3 2007 data for Ireland shows average prices in excess of the permitted maximum, the data includes 2 months before the regulation had effect.

Figure 3

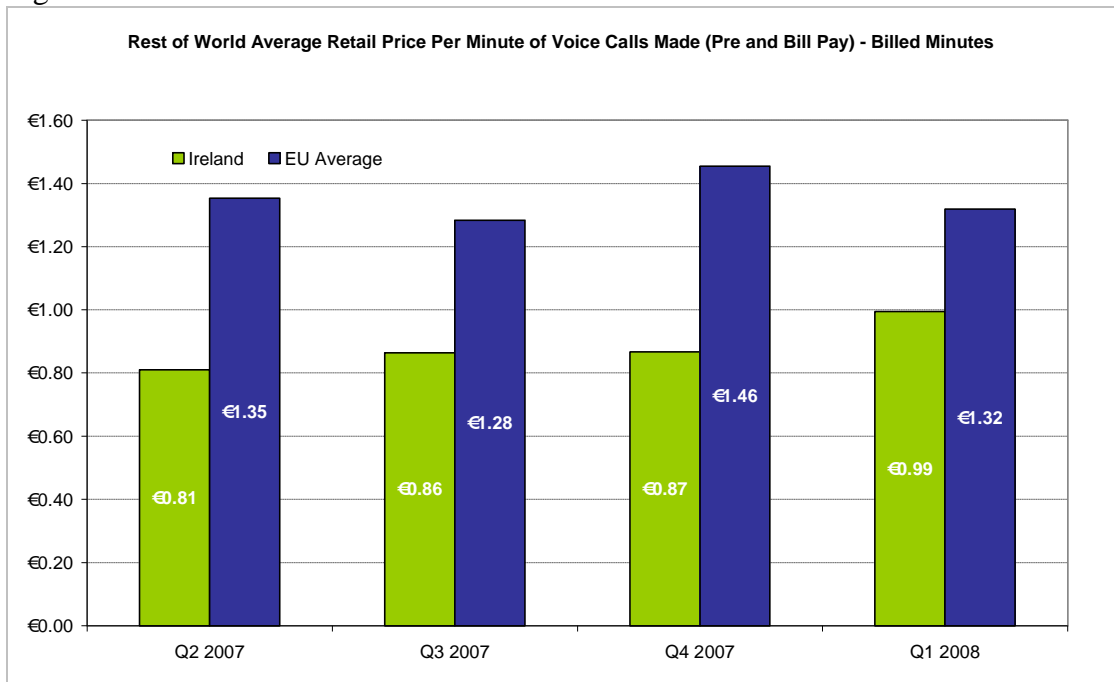


Figure 3 shows that Ireland's average price for making calls, while rising in each quarter, has been lower than the EU average between Q2 2007 and Q1 2008.

Figure 4

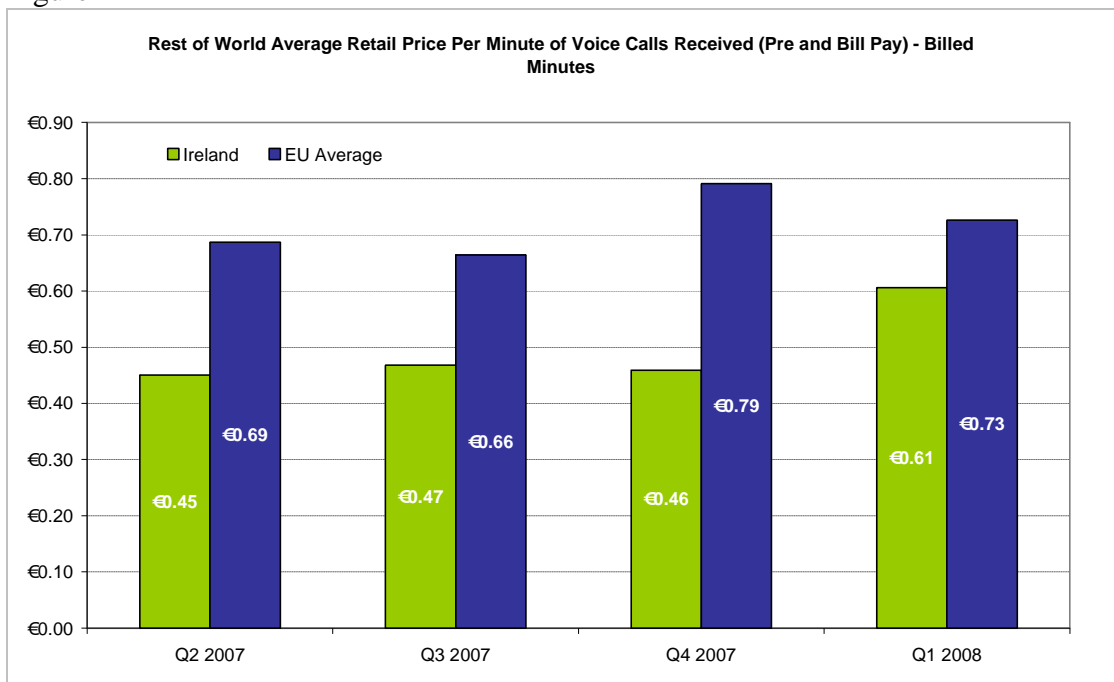
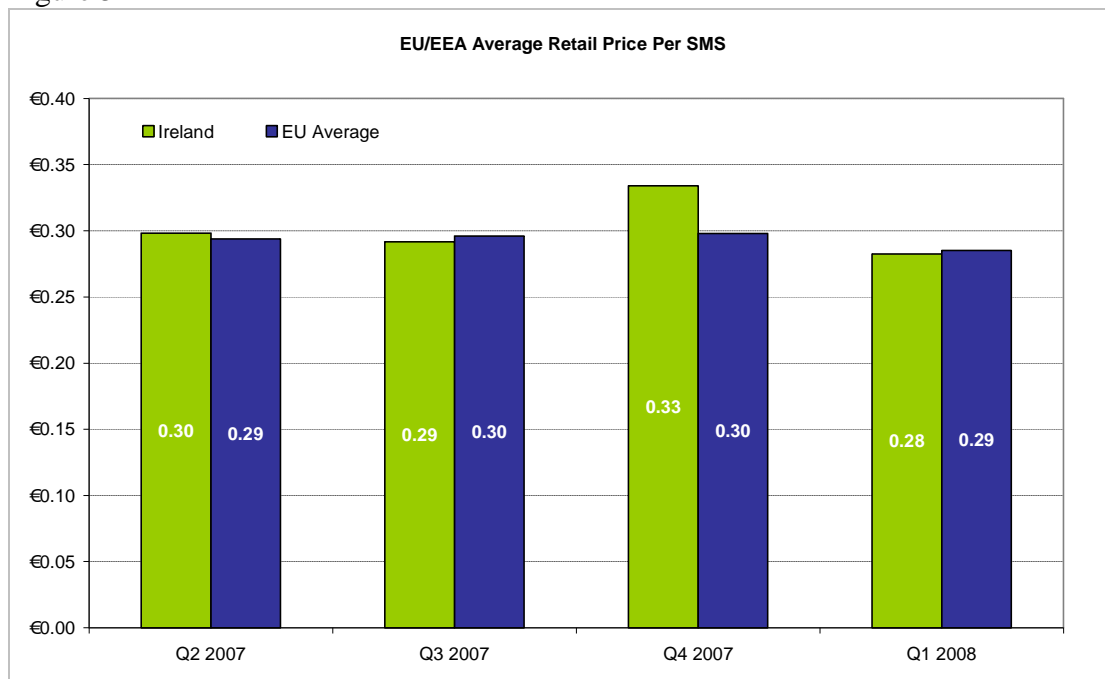


Figure 4 also shows that Ireland's average price for receiving calls has been lower than the EU average over the period shown.

Figure 5



Ireland's average price for sending a SMS has been generally in line with the EU average over the reported periods shown.

Note: Ireland's price rise in Q4 2007 is not a reflection of a price increase but is due to an underreporting issue in Q2 2007 and Q3 2007 that was resolved in Q4 2007.

Figure 6

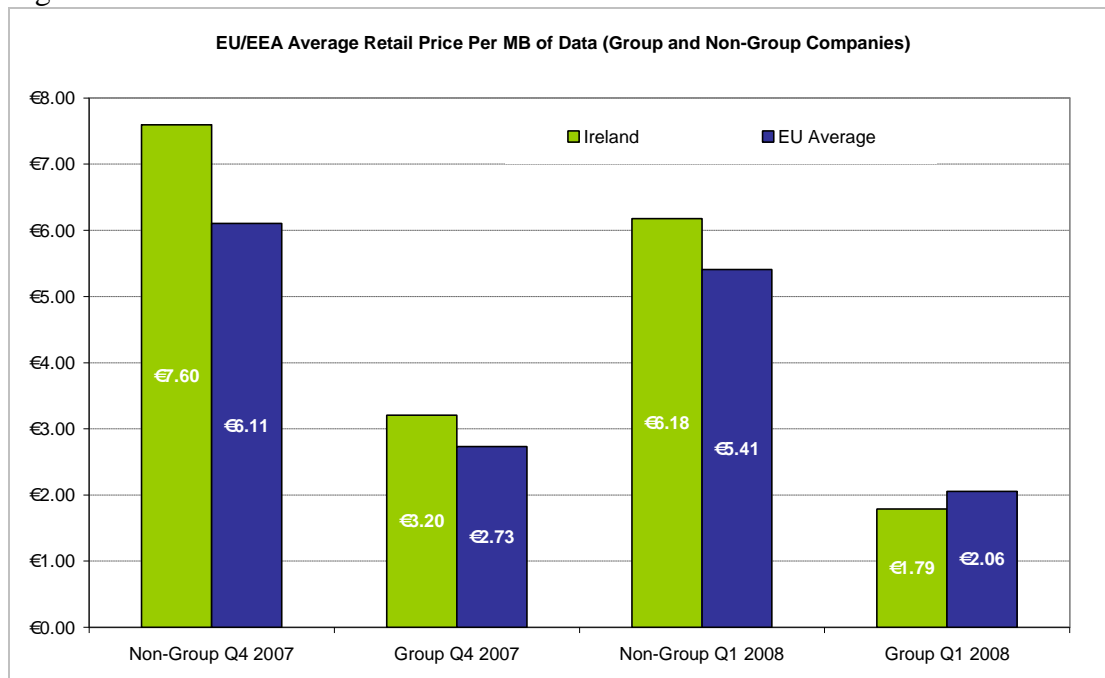
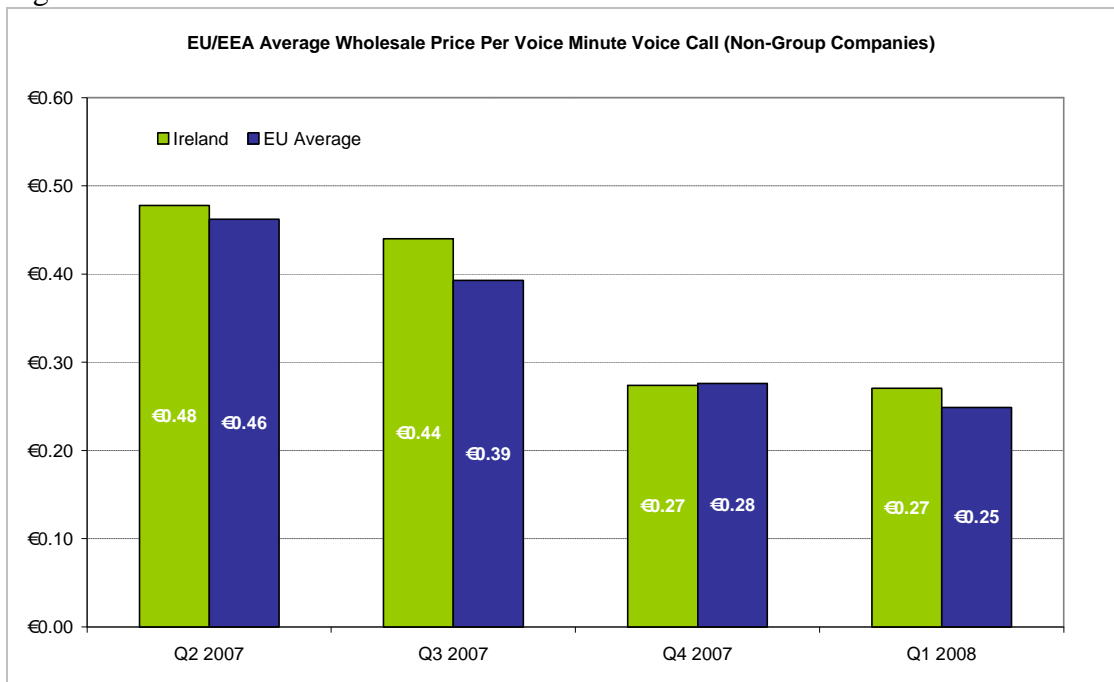


Figure 6 shows the average retail price for roaming data services in the EU for group and non-group countries. Ireland's price has varied over the reported periods reflecting customer movements to bundled tariffs, as indicated by operators.

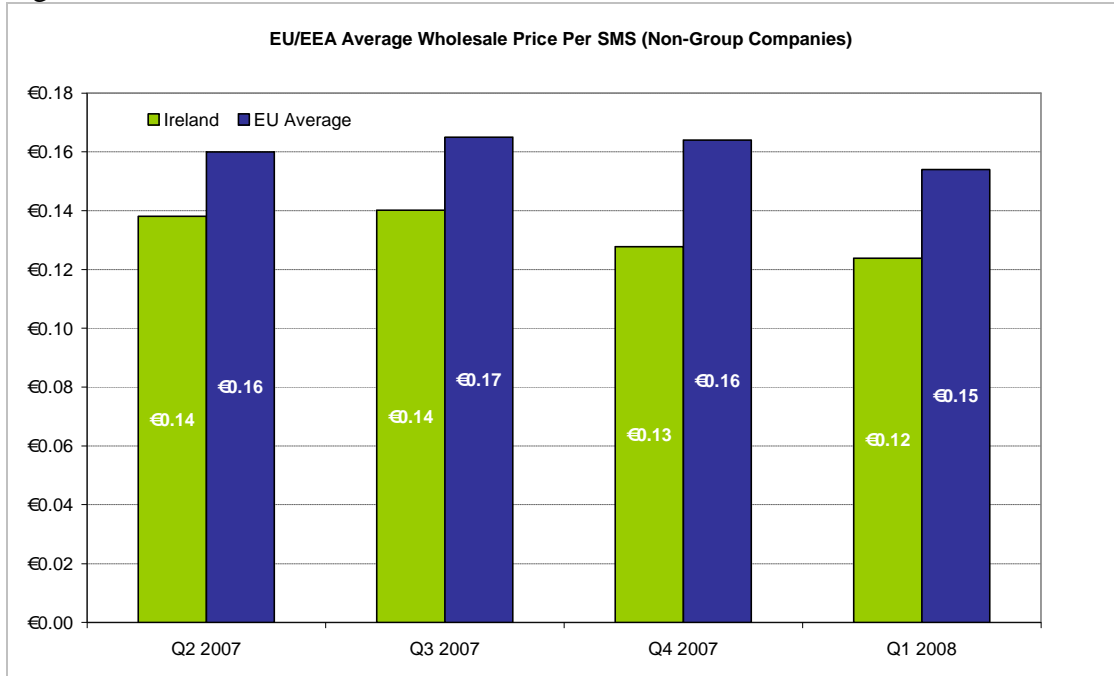
Note: A breakdown of group and non group data is not available for the period Q2 and Q3 2007. Group traffic means traffic between entities within the same group where such entities are fully-owned or majority-owned by the group. Non-group traffic means all traffic that does not fall under the group definition above.

Figure 7



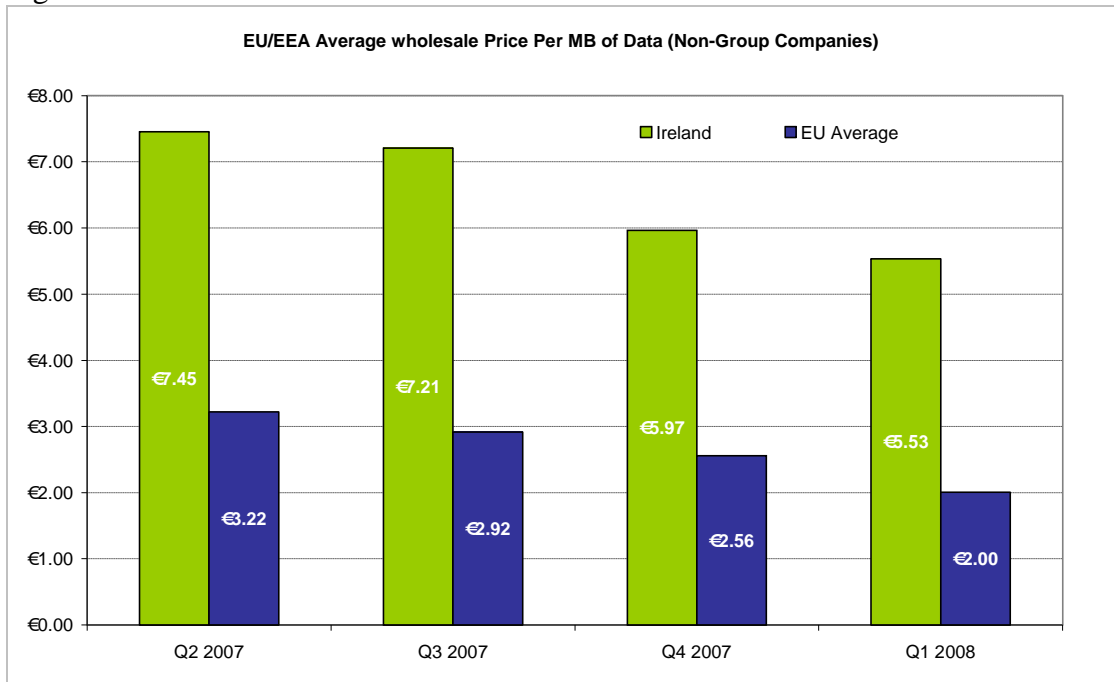
At the wholesale level Ireland's price per call made has followed a similar pattern to the EU as a whole falling significantly from Q4 2007 onwards. A wholesale cap of €0.30 has had a significant effect. Ireland's average price has decreased by approximately 38% since Q2 2007 compared to an EU average of 36%.

Figure 8



The average price per SMS at the wholesale level has remained below the EU average over the reported periods, falling slightly in Q4 2007 and again in Q1 2008.

Figure 9



While the price per MB of data in Ireland at the wholesale level remains consistently above the EU average, there has been a downward trend in the average price similar to the EU as a whole.

5 Legal Basis and Methodology

Article 7 of the Roaming Regulation (EC) No 717/2007 requires NRAs to monitor developments in charges and to report to the European Commission every six months. While this obligation is addressed to individual NRAs, the ERG has acted as a central point for collating aggregated national data.

The second report was published on the ERG website on 12 August 2008³. The report provides an overview of implementation in all Member States. This and subsequent reports will describe the evolution of the roaming market in the EU and provide a basis for the EU Commission's review of the Regulation at end 2008.

Article 7(2) of the Regulation requires NRAs to make up-to-date information on the application of the Regulation publicly available. This Information Notice is published for this purpose.

As a Regulation of the European Parliament and the Council of the European Union, the requirements are directly applicable. In addition, the Minister for Communications, Energy and Natural Resources made regulations in December 2007 designating ComReg as the National Regulatory Authority for the purpose of the Regulations⁴.

³ http://erg.ec.europa.eu/doc/publications/erg_08_36_intern_roam_rep_080812.pdf

⁴ <http://www.dcmnr.gov.ie/NR/rdonlyres/3921AE72-2DA0-4A26-96D9-971035ED491E/0/MobileTelephoneRoamingRegulationsSI792of2007doc.pdf>