



Commission for
Communications Regulation

Information Notice

Implementation of EU Roaming Regulation by Irish Mobile Companies

8th wave of Irish and EU aggregated roaming data

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1 Introduction

Background

The first EC Regulation on international roaming services, Regulation (EC) No 717/2007, was published on 29 June 2007.¹ Regulation (EC) No 717/2007 capped charges for wholesale and retail voice calls (made and received) while roaming in the EU and also introduced pricing transparency measures to benefit consumers who roam in the EU. The Minister for Communications, Energy and Natural Resources made the Communications (Mobile Telephone Roaming) Regulations 2007 in December 2007, which designated the Commission for Communications Regulation (ComReg) as the National Regulatory Authority for the purpose of Regulation (EC) No 717/2007.²

The collection of data for monitoring purposes by National Regulatory Authorities (NRAs) is a requirement of the legislation. Individual NRAs are required *“to monitor developments in wholesale and retail charges”* for voice calls, SMS and data charges. The Body of European Regulators for Electronic Communications (BEREC) coordinates the regular data collection exercise from all NRAs. BEREC’s 8th International roaming report was published in November 2011 (BOR (11) 51).³

Regulation (EC) No 544/2009

In May 2008, the European Commission launched a public consultation on the functioning of Regulation (EC) No 717/2007. Regulation (EC) No 717/2007 was extended in duration and scope by Regulation (EC) No 544/2009. In Ireland, the Communications (Mobile Telephone Roaming) Regulations 2007 were amended by the Communications (Mobile Telephone Roaming) (Amendment) Regulations 2010.⁴

¹ http://eur-lex.europa.eu/LexUriServ/site/en/oj/2007/L_171/L_17120070629en00320040.pdf

² <http://www.irishstatutebook.ie/2007/en/si/0792.html>

³ http://berec.europa.eu/doc/berec/bor_11_51.pdf

⁴ <http://www.irishstatutebook.ie/2010/en/si/0156.html>

Regulation (EC) No 544/2009, which is in force until 30 June 2012, introduced the following measures:

- Further decreases in the wholesale and retail voice roaming caps.
- Wholesale and retail roaming price caps for SMS (text message).
- Wholesale price cap for data roaming.
- Retail transparency measures to protect consumers from “bill shock” when data roaming.
- No charge for you to receive a voicemail message (i.e. for someone leaving a voice message on your phone) while you are roaming.

2011 Review of the roaming legislation

Regulation (EC) No 544/2009 expires on 30 June 2012. On 6 July 2011, the European Commission issued its report on the functioning of the existing legislation⁵ and published its proposals for legislative revisions.⁶

Further information on the regulatory requirements with respect to mobile roaming, including details of the European Commission’s proposals, are outlined in Section 4 of this document.

Publication of Data

This is the 8th information note published by ComReg in relation to roaming. It spans the data collection period 1 January 2011 to 30 June 2011. Data from previous periods are included for comparative purposes.

⁵ http://ec.europa.eu/information_society/activities/roaming/docs/roaming_report_11.pdf

⁶ http://ec.europa.eu/information_society/activities/roaming/docs/roaming_recast11.pdf

2 Key points

Note: All prices are quoted excluding VAT

A comprehensive set of data was requested by all NRAs from national mobile operators. The following key points relate to the data collected for the periods 1 January 2011 to 30 June 2011.

Voice Calls

- Irish average retail roaming prices for calls made and received continue to indicate compliance with the regulatory price ceilings. (Figures 1 and 2).
- Ireland's average "Eurotariff" price per calls made and received and price for the rest of the world (calls made while outside the EU/EEA) has been lower than the EU/EEA average over most of the reported periods. (Figures 1, 2 and 3).
 - Ireland's average "Eurotariff" price for calls made was lower than the EU average in Q1, Q3, Q4 2010 and Q1 and Q2 2011. (Figure 1).
 - Ireland's average "Eurotariff" price for calls received was lower than the EU average in each of the quarters reported. (Figure 2).
- Although it has declined, the surcharge for Ireland's billed prices for retail "Eurotariff" calls made is above the EU/EEA average. This decline is a reflection of the billing unitisation regulation for calls made.⁷ (Figure 10).

Text Messages (SMS)

- The average retail price for sending a text message while roaming remained close to the regulated cap of 11 cents. This compares to an EU/EEA average of 10 cents per text message sent while roaming. (Figure 5).

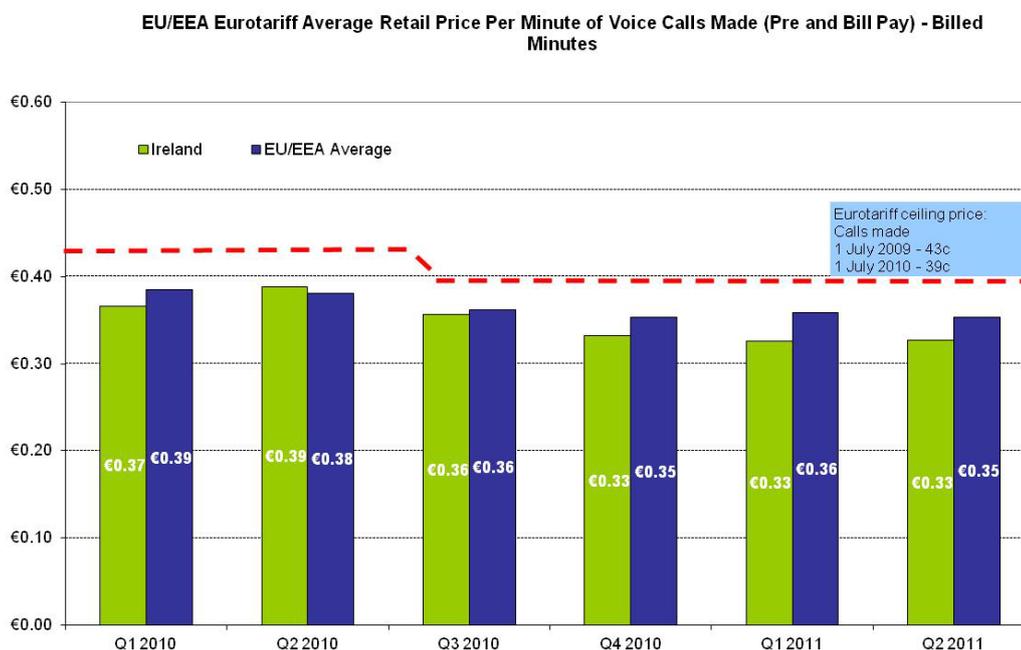
⁷ While the Regulation allows for per second billing for calls received, an initial 30 seconds charge is incurred for calls made irrespective of whether the calls last less than 30 seconds. Per second billing applies thereafter. Data received from Irish operators indicates that a substantial number of calls made with their networks are less than 30 seconds which, compared to the EU/EEA average, results in a higher disparity between the prices that one would pay for actual calls compared to their billed calls.

Data

- There is currently no cap in place for retail data roaming prices. For the period Q2 2011, Ireland's average pre-paid data roaming retail price per MB (€2.60) is more than double the average post-paid data roaming retail price per MB (€1.10). (Figure 6).
- Ireland's average pre-paid retail non-group data roaming prices are higher than the EU/EEA average but Ireland's average data roaming post-paid prices are below the EU/EEA average. (Figure 6).
- Volumes of retail data roaming traffic have grown strongly over the reported periods. Volumes for Ireland were over 3 times higher in Q4 2010 compared to Q4 2008 but have declined from this peak in the first half of 2011. (Figure 12).
- Ireland's aggregate wholesale price per megabyte (MB) of data among non-group companies (51 cents in Q2 2011) remained below the regulated price cap of 80 cents but is higher than the EU/EEA average (36 cents in Q2 2011). (Figure 9).

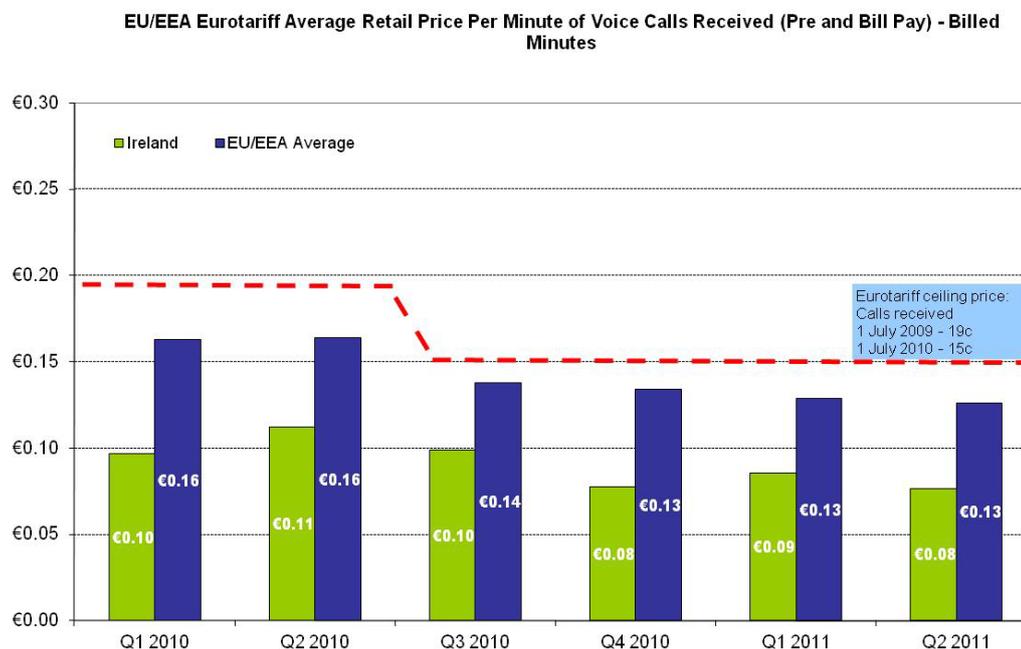
3 Analysis of Irish data

Figure 1



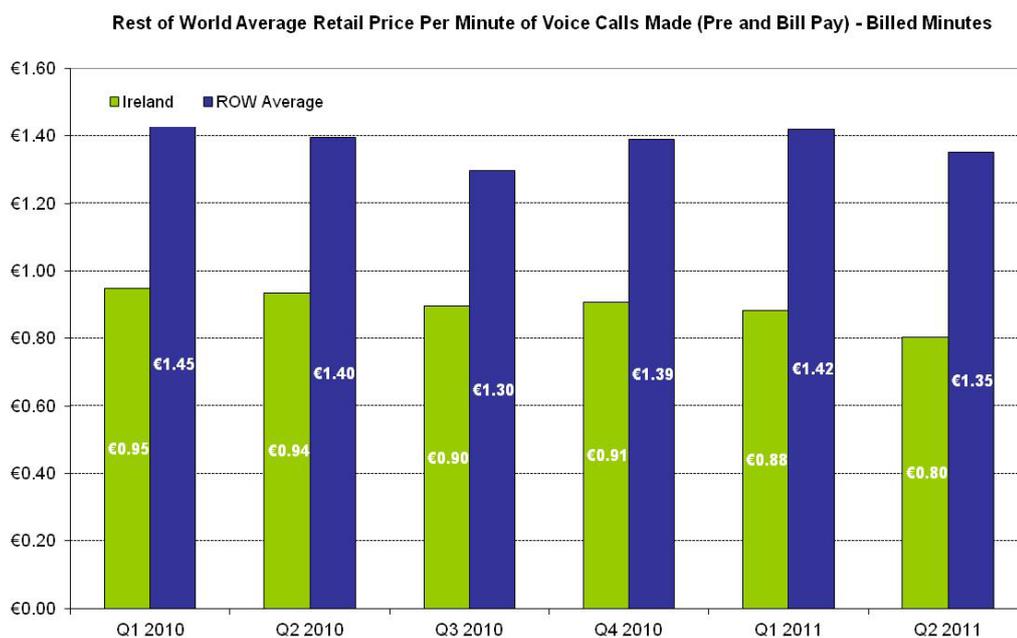
Ireland's average "Eurotariff" prices for calls made have continued to remain below the regulated tariff. These prices were also marginally below the EU/EEA average for all periods except in Q2 2010.

Figure 2



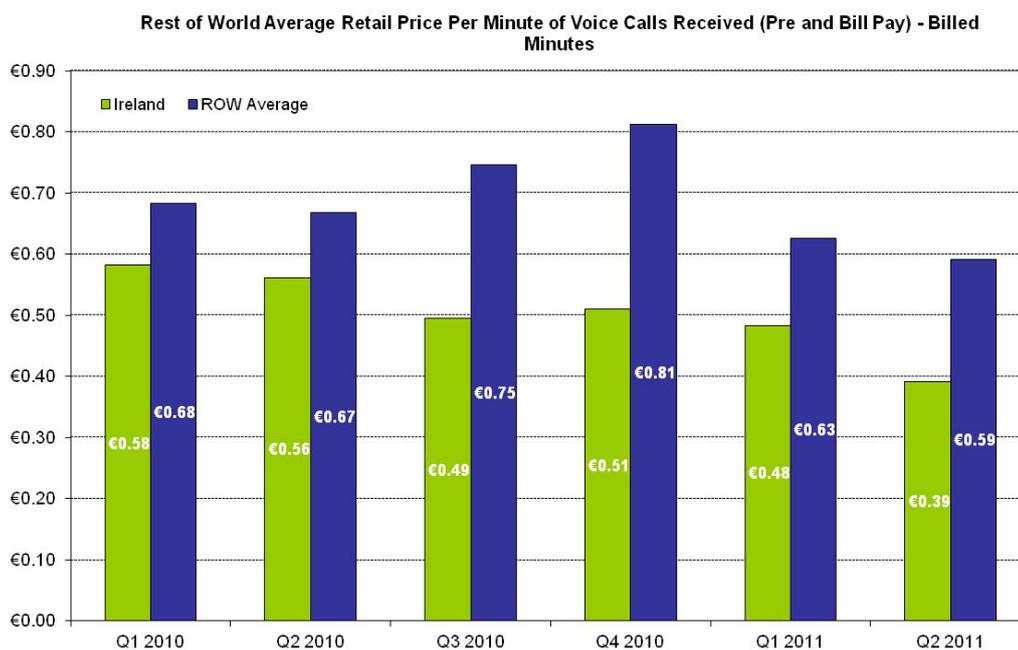
Ireland's average "Eurotariff" prices for calls received are well below the regulated tariff and the EU/EEA average price. This is, in part, a reflection of favourable price tariffs in some of these countries.

Figure 3



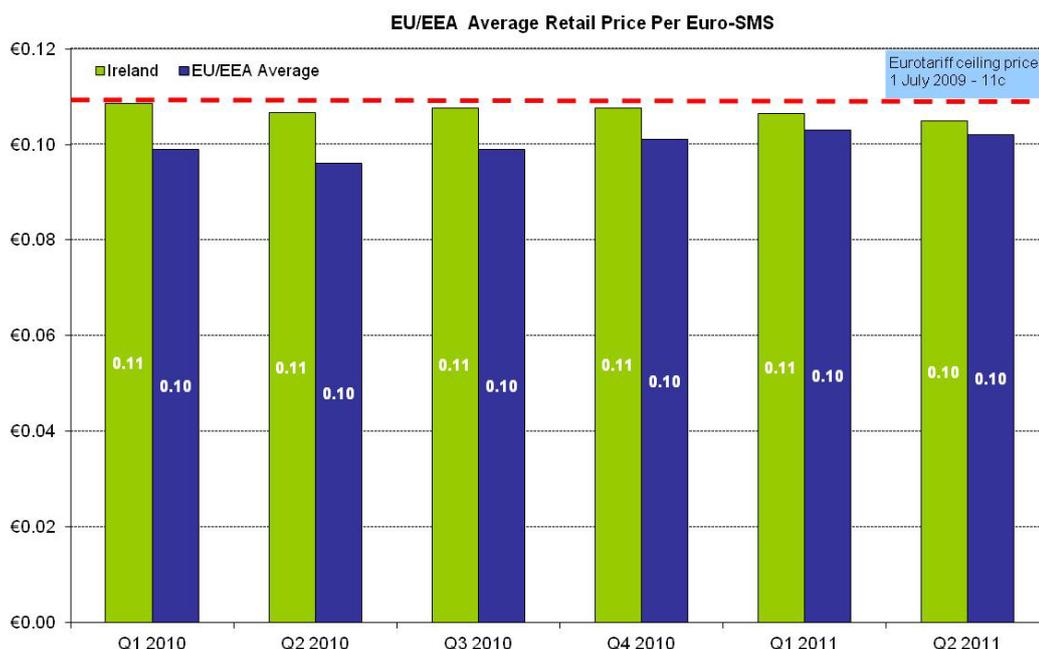
Ireland's average price for making calls outside the EU/EEA is cheaper than the EU/EEA average. Ireland's price was approximately 40.5% cheaper than the EU/EEA average in Q2 2011.

Figure 4



As per calls made, the average price in Ireland for receiving a call from outside of the EU/EEA is cheaper than the EU/EEA average, approximately 34% cheaper in Q2 2011.

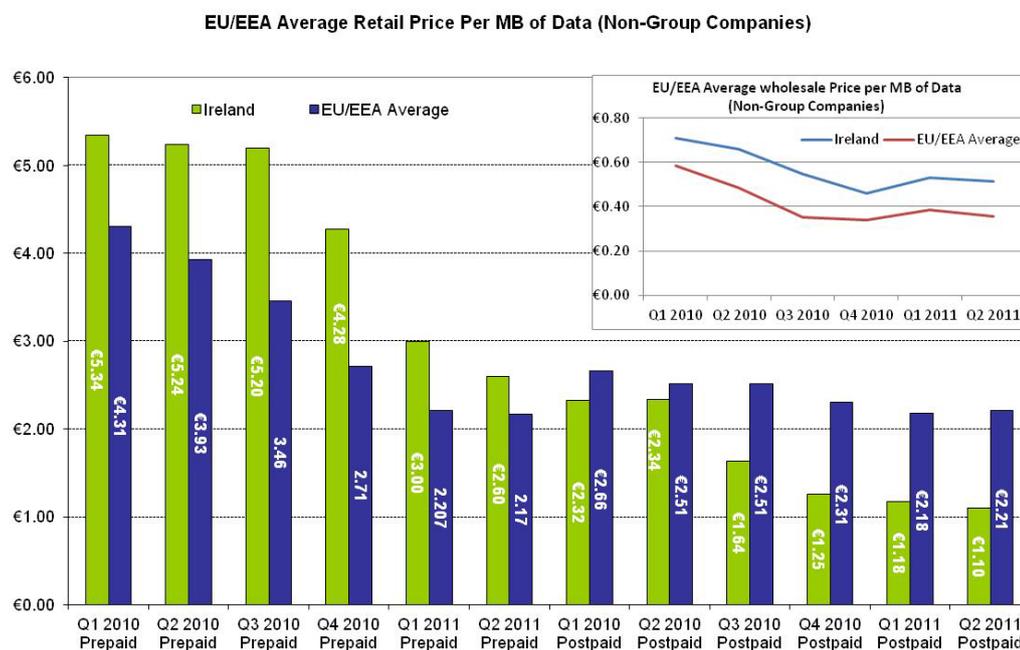
Figure 5



Ireland's average price for sending a "Eurotariff" text message has remained just below the regulated cap of 11 cents, but slightly higher than the EU/EEA average. This cap was introduced from the 1 July 2009.

Note: Q2 2011 – retail Irish SMS average price is 0.105 cent and the EU average is 0.102 cent.

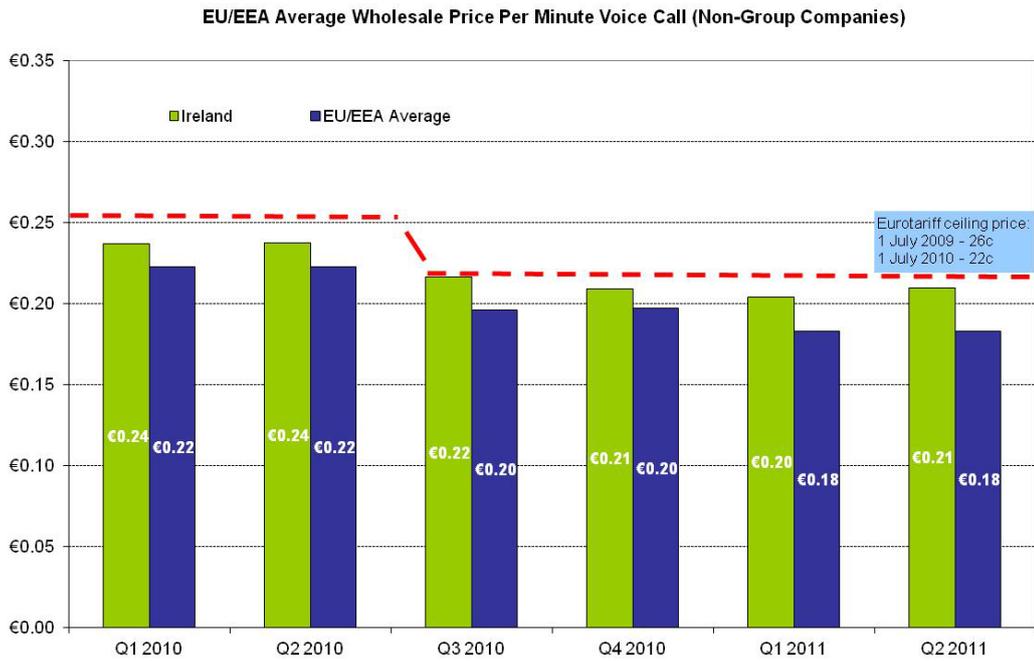
Figure 6



Ireland's retail price per MB of roaming data has varied over the reported periods reflecting customer movements to bundled tariffs. Ireland's pre-paid price has remained higher than the EU/EEA average but Ireland's post-paid price has been lower than the EU/EEA average.

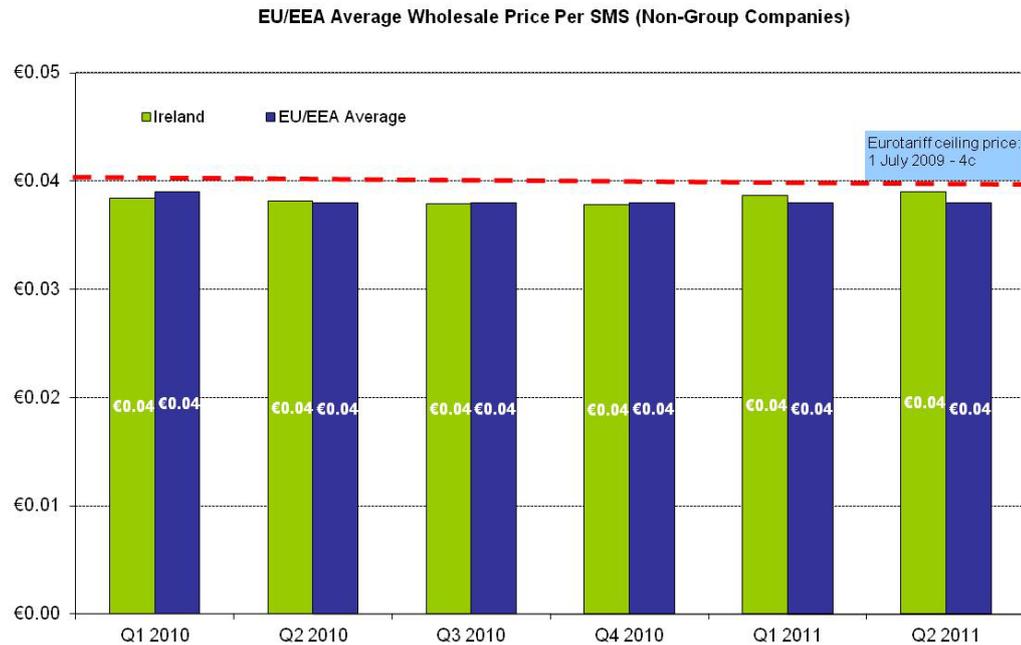
Note: Non-group traffic means traffic between entities that are not within the same group where such entities are fully-owned or majority-owned by the group.

Figure 7



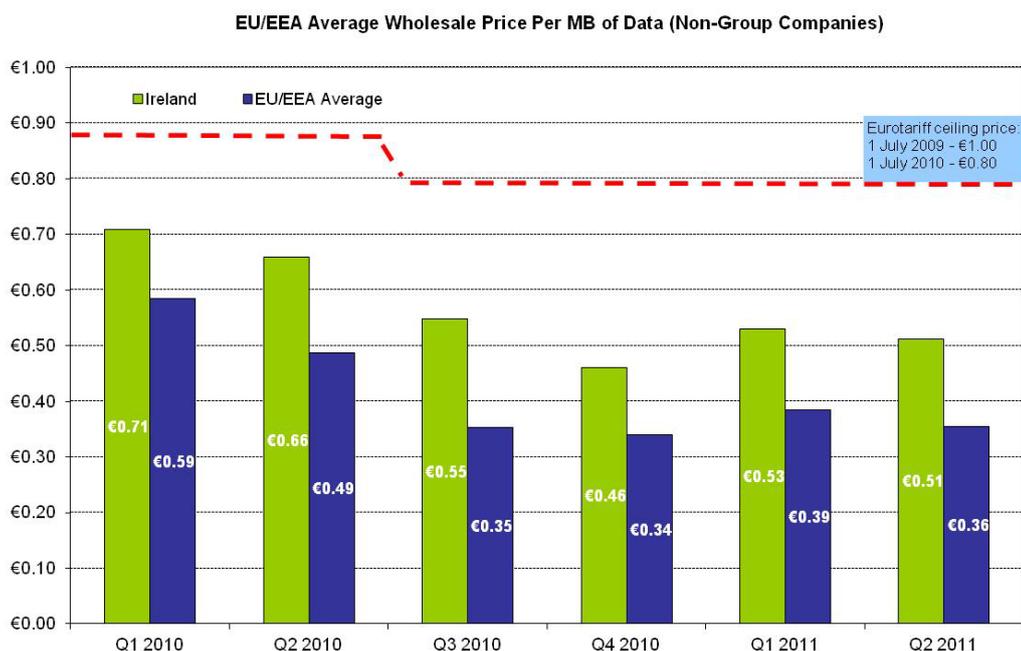
Although Ireland's average wholesale price per roaming call made has been below the regulated cap over the reported periods, prices have remained slightly above the EU/EEA average.

Figure 8



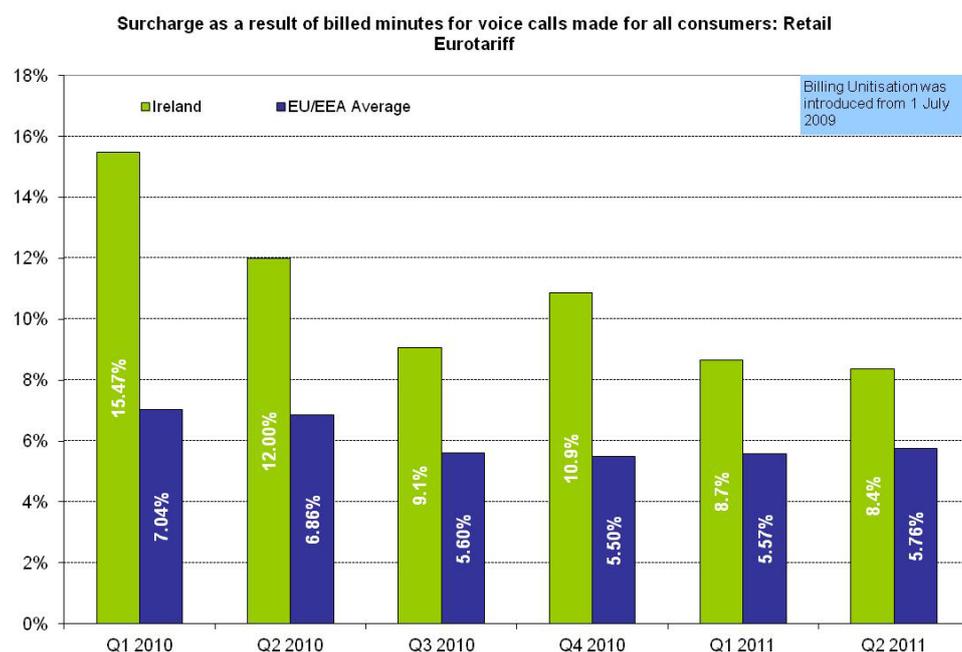
Ireland's average wholesale price per roaming SMS has been at similar levels to the EU/EEA average over the reported periods. A regulated cap of 4 cents was introduced on 1 July 2009.

Figure 9



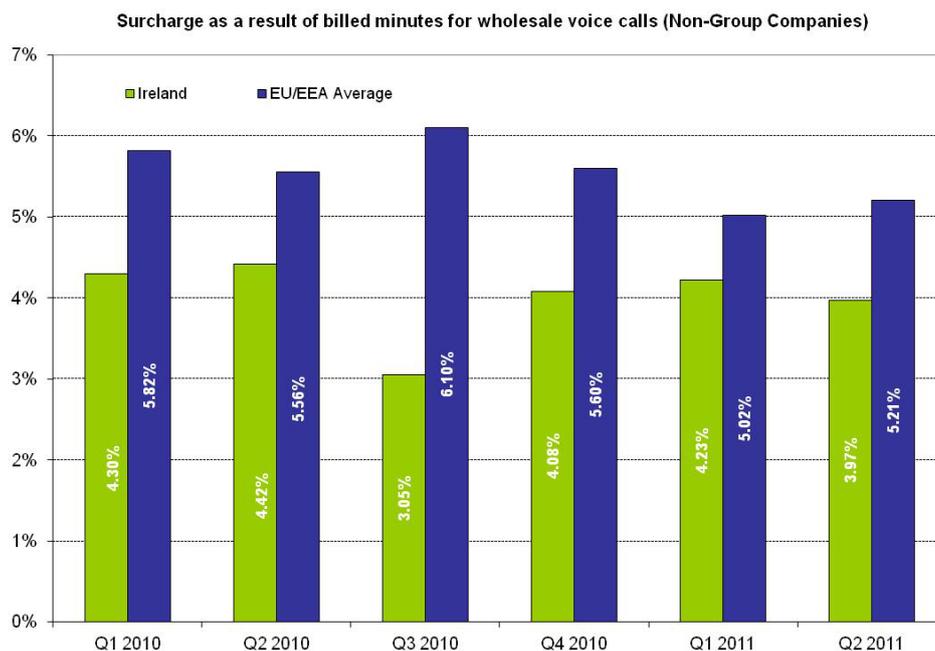
Following the introduction of a regulated price cap in July 2009, the average price per MB of roaming data among Irish mobile operators has declined significantly although it has remained above the EU/EEA average.

Figure 10



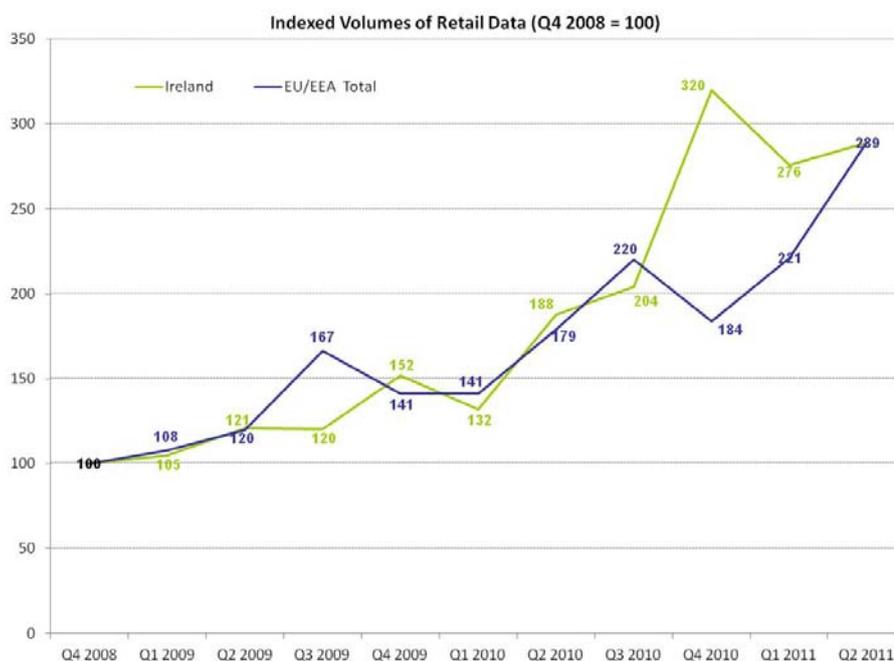
This chart shows the retail price percentage deviation arising from operator billing on a per minute basis as opposed to the price which would be incurred if billed on a per second basis (actual usage). While the Irish percentage deviation for calls made is above the EU/EEA average it has declined significantly, from 15.5% in Q1 2010 to 8.4% in Q2 2011. This is a reflection of the introduction of billing unitisation regulation, as Irish operator data suggests a substantial proportion of "Eurotariff" calls made are under the 30 seconds initial call charge. Per second billing applies thereafter.

Figure 11



This chart is similar to that in figure 10 but reflects pricing disparities at a wholesale level. For Ireland, the surcharge has remained below the EU/EEA average throughout the reported periods.

Figure 12



The volume of retail roaming data on Irish mobile networks has been growing substantially over the reported periods. Compared to Q4 2008, retail data volumes were over 3 times higher in Ireland in Q4 2010 but have declined from this peak in the first half of 2011.

4 EU regulatory requirements

4.1 Requirements 2007-2012

Note: All prices are quoted excluding VAT

Requirements by all mobile operators	30 Aug 2007	30 Aug 2008	1 July 2009	1 July 2010	1 July 2011
"Eurotariff" retail limit for voice calls made	0.49	0.46	0.43	0.39	0.35
			Per second billing applies with the option to apply a 30 second minimum charge for calls made.		
"Eurotariff" retail limit for voice calls received	0.24	0.22	0.19	0.15	0.11
			Calls received are charged on a per second basis.		
Wholesale limit for voice calls made	0.30	0.28	0.26	0.22	0.18
Pricing transparency	Mobile operators to send a free SMS to their consumers with pricing details for making and receiving a call when roaming in the EU.		From 1 July 2009 the free pricing transparency SMS will include pricing details for SMS, MMS and Data. The SMS will also include information on how to receive more detailed pricing information and information on the European emergency number 112.		
"Eurotariff" SMS retail price limit	N/A	N/A	0.11	0.11	0.11
"Eurotariff" SMS wholesale price limit	N/A	N/A	0.04	0.04	0.04
Wholesale data price limit (per megabyte)	N/A	N/A	€1.00	0.80	0.50
Data bill shock measures	N/A	N/A	N/A	1 March 2010 Ability for consumers to opt in to €50.00 (ex VAT) data roaming limit.	From 1 July 2010 Automatic opt in for all consumers to €50.00 (ex VAT) data roaming limit. Consumers can choose an alternative limit or no limit.
				Consumers will receive a warning message when they are near to reaching their roaming limit set for	

				their account. Customers cannot use any more data when their limit has been reached unless they give their consent to continue data roaming.
Voicemail	N/A	N/A	N/A	No charge to consumer to receive a voicemail message.

4.2 2011 review of the amended Regulation

The amended Roaming Regulation (EC) 544/2009 expires on 30 June 2012. The European Commission has considered a number of factors pertinent to its review, including:

- Developments in wholesale and retail roaming prices.
- The availability and quality of roaming services including alternatives for consumers.
- The extent to which consumers have benefited from reductions in prices and the variety of offers available to them.
- The degree of competition in the wholesale and retail roaming markets.
- The possibility of extending the regulation to include a retail data price cap.

On 6 July 2011 the European Commission issued its report on the outcome of the functioning of the roaming legislation⁸ and published its proposals in relation to its review.⁹ These proposals are currently being considered by the European Parliament and the Council.

The main features of the European Commission's proposals are listed below and summarised in the European Commission's press release of 6 July 2011.¹⁰

⁸ http://ec.europa.eu/information_society/activities/roaming/docs/roaming_report_11.pdf

⁹ http://ec.europa.eu/information_society/activities/roaming/docs/roaming_recast11.pdf

¹⁰ <http://europa.eu/rapid/pressReleasesAction.do?reference=IP/11/835&format=HTML&aged=0&language=EN&guiLanguage=fr>

Voice Calls and Text Messages (SMS)

- Retention of wholesale price caps to June 2022.
- Retention of retail price caps to mid 2016.

Data

- Introduction of retail price caps for data roaming.
- Glide paths to 2014 on wholesale and retail data roaming prices.
- Retention of “bill shock” measures.

Structural Measures

- Structural measure to allow users to contract for roaming services with an alternative provider.
- Structural measure to facilitate market entry by introducing a duty to meet all reasonable requests for wholesale access.

Details of Pricing Proposed

Voice Calls

Wholesale price caps to 2022

The price caps proposed continue the glide path in force since the introduction of the Regulation in 2007

Wholesale caps (cent/min excluding VAT)

Existing					Proposed		
20/8/07	30/8/08	1/7/09	1/7/10	1/7/11	1/7/12	1/7/13	1/7/14
30	28	26	22	18	14	10	6

Implementation of EU Roaming Regulation by Irish Mobile Companies

Under the proposals, the glide path will end in 2014 but remain in force to 2022.

Retail price caps to 2016

Retail caps (cent/min excluding VAT)/ per second billing applies; operators may charge a 30 second minimum set-up fee.

Existing						Proposed		
	20/8/07	30/8/08	1/7/09	1/7/10	1/7/11	1/7/12	1/7/13	1/7/14
Calls made	49	46	43	39	35	32	28	24
Calls Received	24	22	19	15	11	11	10	10

The price caps proposed continue the glide path in force since the introduction of the roaming Regulation in 2007. Unlike the wholesale price caps, it is proposed that the retail caps will automatically expire in July 2016.

SMS

Wholesale Price Caps to 2022

Wholesale caps (cent per SMS excluding VAT)

Existing			Proposed		
1/7/09	1/7/10	1/7/11	1/7/12	1/7/13	1/7/14
4	4	4	3	3	2

Retail Price Caps to 2022

Retail SMS Price Caps (cent per SMS excluding VAT)

Existing			Proposed		
1/7/09	1/7/10	1/7/11	1/7/12	1/7/13	1/7/14
11	11	11	10	10	10

Implementation of EU Roaming Regulation by Irish Mobile Companies

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Wholesale Price Caps to 2022

The proposals continue the glide path introduced in 2009.

Wholesale data caps (cent per MB excluding VAT)

Existing			Proposed		
1/7/09	1/7/10	1/7/11	1/7/12	1/7/13	1/7/14
€1.00	€0.80	€0.50	€0.30	€0.20	€0.10

Retail Data Price caps to 2016

Retail roaming data pricing has not previously been regulated.

Retail data caps (cent per MB excluding VAT)

Proposed		
1/7/12	1/7/13	1/7/14
0.90	0.70	0.50

5 Legal basis

Article 7 of Regulation (EC) No 717/2007 requires NRAs to monitor developments in charges and to report to the European Commission every six months. Article 7(2) requires NRAs to make up-to-date information on the application of Regulation (EC) No 717/2007 publicly available. This Information Notice is published for this purpose.

Regulation (EC) No 717/2007 as amended by Regulation (EC) No 544/2009 is an EC Regulation. Accordingly, its requirements are *directly applicable* in all Member States. In Ireland, the Minister for Communications, Energy and Natural Resources made secondary legislation in the form of Ministerial Regulations, under which ComReg is designated as the national supervisory and enforcement body for the purposes of Regulation (EC) No 717/2007 (as amended).