

Information Notice

Maximum Termination Rates ("Eurorates") – effective from 1 January 2024

Information Notice

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In accordance with Article 75 of the European Electronic Communications Code¹ ("the Code") on 18 December 2020 the European Commission adopted a Delegated Regulation² setting a single maximum Union-wide mobile voice termination rate and a single maximum Union-wide fixed voice termination rate (together, the "Eurorates").

- 2. On 20 May 2021 ComReg published <u>Information Notice 21/49</u> setting out the Eurorates that apply from 1 July 2021 to **all** fixed service providers ("**FSP(s)**") and mobile service providers ("**MSP(s)**") respectively.
- 3. Article 1.4 of the Delegated Regulation also provides that the Eurorates apply to calls originated from third country (non-European Union /European Economic Area) phone numbers and terminated to European Union phone numbers where certain conditions are met. One such condition is where a provider of voice termination services in a third country applies, to calls originated from European Union numbers, termination rates equal or lower than the maximum termination rates set out in Articles 4 or 5 of the Delegated Regulation.
- 4. On 26 October 2023 the Directorate-General for Communications Networks, Content and Technology ('DG CNCT') of the European Commission issued a letter (attached at Annex 1) to National Regulatory Authorities ('NRAs') noting that effective 1 January 2024, Moldova's NRA ('ANCRETI') will align its termination rates with the European Union's Eurorates as per the Delegated Regulation. Accordingly, from this time Irish FSPs and MSPs will be obliged to apply the Eurorates to calls originated from phone numbers in Moldova. DG CNCT has requested that the contents of its letter is drawn to the attention of FSPs and MSPs in Ireland.
- 5. Under Article 75(3) of the Code³, NRAs such as ComReg are required to monitor and ensure compliance with the Eurorates and may, at any time, require a provider of voice termination services to amend the rate it charges to another undertaking if that rate does not comply with the Eurorates.
- 6. MSPs are also reminded that from 1 January 2024 the maximum MTR Eurorate reduces from the current €0.0040 per minute to €0.0020 per minute until further

¹ <u>Directive (EU) 2018/1972 of the European Parliament and of the Council of 11 December 2018</u> establishing the European Electronic Communications Code

² Commission Delegated Regulation (EU) 2021/654 supplementing Directive (EU) 201/1972 of the European Parliament and of the Counsel setting a single maximum Union-wide mobile voice termination rate and a single maximum Union-wide fixed voice termination rate (the "**Delegated Regulation**"). The Delegated Regulation was subject to a two-month review period by the European Parliament and the Council, subsequently extended it to 21 April 2021. Following conclusion of that review, the Delegated Regulation was published in the Official Journal of the European Union on 22 April 2021 and Eurorates applied from 1 July 2021.

³ The provisions of which are mirrored in Regulation 57(3) of the European Union (Electronic Communications Code) Regulations 2022, S.I. No. 444 of 2022.

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notice. The **maximum FTR Eurorate** remains unchanged from the current **€0.0007 per minute**.

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Annex 1: Letter from EC



EUROPEAN COMMISSION

DIRECTORATE-GENERAL FOR COMMUNICATIONS NETWORKS, CONTENT AND TECHNOLOGY

Digital Decade and Connectivity

The Director

Brussels CNECT.B.3.001/LD

Dear Sir, / Dear Madam,

Hereby, we would like to inform you that the decision of the Moldovan National Regulatory Authority ('ANCRETI'), which sets the termination rates for <u>mobile</u> and <u>fixed</u> voice calls, will enter into force **on 1 January 2024**. This decision sets the maximum call termination rates in the fixed and mobile networks to the level of "eurorates" established by <u>Delegated Regulation 614/215</u>. The set maximum termination rates will also apply to the EU numbering plan according to the decision.

In this regard, we would like to point out that, Article 1.4 of the Delegated Regulation states the following: Articles 4 and 5 shall also apply to calls originated from third country-numbers and terminated to Union-numbers where one of the two following conditions is met:

1. where a provider of voice termination services in a third country applies to calls originated from Union-numbers, mobile or fixed voice termination rates equal or lower than the maximum termination rates set out in Articles 4 or 5 respectively for mobile or fixed termination, for each year and each Member State, on the basis of rates applied or proposed by providers of voice termination services in third countries to providers of voice termination services in the Union;[...]

If needed, further clarifications could also be found in the <u>Staff working document accompanying the Delegated Regulation 2021/654</u>, p.28. Furthermore, the Commission published a <u>FAQ</u> which clarifies specific situations concerning the application of the Delegated Regulation.

In addition, we would like to point out to the obligation envisaged by Article 75 (3) of the European Electronic Communications Code, by which National regulatory authorities ('NRAs') shall closely monitor and ensure compliance with the application of the Union-wide voice termination rates. NRAs may, at any time, require a provider of voice termination services to amend the rate it charges to other undertakings if it does not comply with the Delegated Regulation. In this regard, the Commission will, in close cooperation with responsible NRAs, closely monitor the application of the termination rates towards Moldova.

With the purpose of smoother application of Article 1.4(a) of the Delegated Regulation towards Moldovan operators and having all the EU operators informed on time about the level of termination rates in Moldova, we kindly ask you to share this information with the operators in your country. Please note that a similar letter was sent to telecom associations inviting them to share the information among their members.

Yours faithfully,

(e-signed) Kamila KLOC

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