

Information Notice

## Reductions in mobile termination charges by Vodafone, O2 and Meteor will benefit consumers

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Vodafone, O2 and Meteor have recently published reductions in the prices that they charge for Mobile Termination and have committed to a further reduction a year from now. ComReg welcomes this step by these Mobile operators. These reductions to wholesale prices have already led to announcements by the fixed line operators of reductions in prices for calls to mobiles. These reductions will benefit consumers and ensure that Ireland's Mobile Termination rates (MTRs) remain amongst the lowest in Europe.

In D11/05<sup>1</sup> ComReg imposed a price control obligation as provided for by Regulation 14 of the Access Regulations on Vodafone, O2 and Meteor. In that ComReg stated that current MTRs were unlikely to reflect an efficient charge level. ComReg also outlined in this document the possibility of using a glide path approach to achieve the appropriate level of charges. Documents  $04/62b^2$  and  $05/51^3$  set out in more detail the options for reaching such a level.

In addition to the price control obligation, ComReg imposed on Vodafone and  $O_2$  the requirement to produce regulatory separated accounts with respect to mobile call termination. ComReg is currently consulting with the industry with a view to implementing a regulatory financial reporting obligation. ComReg envisages that these operators would produce their first set of Regulatory Accounts in 2007.

ComReg is of the view that if reductions of a similar order are delivered as promised in early 2007 then no additional price reductions in MTRs should be necessary before late 2007.

<sup>&</sup>lt;sup>1</sup> ComReg Document 05/78- Decision Notice Imposition of SMP Obligations- Market Analysis: Wholesale Voice Call Termination on Individual Mobile Networks.

<sup>&</sup>lt;sup>2</sup> ComReg Document 04/62b- Consultation on Remedies- Wholesale Voice Call Termination on Individual Mobile Networks.

<sup>&</sup>lt;sup>3</sup> ComReg Document 05/51- Response to Consultation on Remedies and Notification to European Commission – Wholesale Voice call Termination on Individual Mobile Networks

## Mobile Termination Rates effective from 1/01/06

		Rates effective	
	Previous Rates	from 1/1/06	
Vodafone	€ cent	€ cent	% Reduction
Peak	12.90	12.90	-
off Peak	11.42	8.75	23%
Weekend	5.97	5.97	-
02	€ cent	€ cent	% Reduction
Peak	12.90	12.90	-
off Peak	10.00	8.25	18%
Weekend	7.87	6.01	24%
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Meteor	€ cent	€ cent	% Reduction
Peak	17.78	16.36	8%
off Peak	11.43	11.43	-
Weekend	8.89	8.88	-