

FACTS ABOUT NEW EU REGULATION ON INTERNATIONAL ROAMING – MARCH 2012

Lower prices for calling, texting and internet use when travelling within the EU and increased competition

The aim of the new roaming regulation is to protect consumers when travelling abroad without fearing large telephone bills. Furthermore, the intention of the roaming regulation is to stimulate economic growth in EU by reducing one of the barriers for mobility within EU. The new regulation will also strengthen consumer protection, for instance when Europeans use their mobile phone outside the EU.

The new roaming regulation will make it significantly cheaper for the European consumers and businesses when using mobile telephony and broadband in other EU member states. The new roaming regulation imposes a ceiling limiting the prices mobile operators are allowed to charge for calls, text messages (sms) and internet usage in the EU. The intention is to strengthen competition and decrease prices for using the mobile phone and laptop in another member state approaching the price levels which apply in the national home markets.

Furthermore, two structural initiatives will be introduced. Mobile operators have to give access to each others networks and consumers can opt for alternative operators. In 2016 the Commission will analyse the market situation in a review, aiming at removal of retail price caps in June 2017. If the market has not delivered lower prices, the Commission will eventually propose extension of the retail price caps.

Background

International roaming is, when a national mobile telephone or broadband subscription is used in other member states, e.g. when a Danish consumer uses the internet when travelling in Germany. The new rules will replace the existing regulation on international roaming 30th June 2012.

In general international roaming has been costly for consumers compared to similar services in the home country. This price difference cannot be explained by actual cost differences; instead the high price on international roaming is caused by lack of competition.

Facts

Since 2007 the EU has gradually imposed lower prices on international roaming in EU by imposing ceilings for the price that mobile operators can charge customers for voice calls and text messages (retail prices). At the same time, EU has imposed ceilings for the price mobile operators charge

Roaming I (2007)	<ul style="list-style-type: none"> • Price ceilings voice calls (wholesale and retail) • Text message with price information
Roaming II (2009)	<ul style="list-style-type: none"> • Price ceiling sms (wholesale and retail) • Price ceiling data (wholesale) • Maximum data bill limit within the EU (from 2010)
Roaming III (2012)	<ul style="list-style-type: none"> • Maximum data bill limit worldwide • Price ceiling data (retail) • Structural initiative (better access for small operators) • Structural initiative (letting consumers choose an alternative provider for roaming services, irrespective of their national provider)

amongst themselves for utilising each other's mobile network for calls, text and data roaming services. The new roaming regulation will further reduce price ceilings on calls and text messages as well as extending the regulation to include retail regulation of data roaming



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services. The proposal also encompasses two structural initiatives that are to change the rules of the game in the market for the benefit of competition.

Prices, Euro (prices are excluding VAT)	1 July 2011	1 July 2012	1 July 2013	1 July 2014
Make a call (wholesale) – per minute	0.18	0.14	0.10	0.05
Make a call (retail) – per minute	0.35	0.29	0.24	0.19
Receive a call (retail) – per minute	0.11	0.08	0.07	0.05
Send an text message (wholesale) – per sms	0.04	0.03	0.02	0.02
Send an text message (retail) – per sms	0.11	0.09	0.08	0.06
Data (wholesale) – per MB	0.50	0.25	0.15	0.05
Data (retail) – per MB	-*	0.70	0.45	0.20
Maximum data bill limit per month (retail)	50	50	50	50

Note: The retail data price is currently unregulated, but most Danish providers charge around 2.50 Euro per MB (including VAT)

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