



Media Release – 13 October 2005

ComReg imposes obligations on mobile operators that will lead to reductions in mobile termination charges

The Commission for Communications Regulation (ComReg) has today issued a direction imposing certain regulatory obligations on Vodafone, O₂ and Meteor in the Mobile Voice Termination market. This direction forms part of ComReg's overall market review of the telecommunications sector. As a result of these obligations the prices that consumers pay for calls to mobiles should be reduced.

Mobile termination charges are the wholesale rates which operators, both fixed and mobile, pay to mobile operators for calls that are connected on their networks. They affect consumers indirectly as they are factored into the prices consumers pay at retail level for fixed-line-to-mobile and mobile-to-mobile calls.

Under these obligations, the three operators will in future, have to charge prices for mobile termination that reflect the cost of providing the termination service. The mobile operators will, as part of these obligations, have to provide information to ComReg justifying their costs. ComReg has also included a provision allowing operators a transition period to move their prices towards cost.

ComReg Commissioner John Doherty said: "ComReg looks forward to working with the mobile operators to ensure that termination rates are cost-orientated. We now believe that in the interregnum an opportunity exists for the operators to consider further reducing their present rates for the benefit of their customers."

ENDS

Issued By

Tom Butler

Public Affairs Manager, ComReg

Ph: 01 804 9639 Mobile: 087 2536358

tom.butler@comreg.ie