



Media Release - 28th July 2003

## **ComReg Welcomes Reductions in Mobile Termination Rates ensuring that Irish rates stay among the lowest in Europe**

ComReg welcomes reductions in Mobile Termination Rates ensuring that Irish rates stay among the lowest in Europe.

The Irish mobile phone market currently has one of the lowest mobile termination rates (MTR) in the European Union. Taking account of changes being made by O2 and Vodafone, ComReg estimates that by summer 2004 average mobile termination rates will have fallen by over 20% for the previous 3 years.

The changes in mobile termination rates being made by O2 and Vodafone will further enhance Ireland's position in terms of mobile termination rates.

ComReg also notes that recent commitments to reduce mobile termination rates by Vodafone and O2 will – provided these reductions are passed on to fixed line and mobile customers – ensure that Irish consumers benefit from reduced retail rates.

In line with the new legislative regime in the electronic communications sector, ComReg is continuing its analysis of competition in mobile markets. If any of the operators are found to have significant market power, appropriate obligations will be put in place to address any identified market issue. These may include measures aimed at achieving greater transparency of cost structures, such as account separation and measures to control the level of prices.

## **Note for editors**

Mobile termination rates are the wholesale charges that mobile operators apply to other operators, both fixed and mobile, for calls that terminate on mobile networks.

Following reductions in mobile termination rates last year by both Vodafone and O2, and a further reduction earlier this year by Vodafone, both operators have said they were willing to consider further reductions in mobile termination rates as indicated in our Information Notice ComReg 03/71.

Vodafone's 13% reduction to its peak period termination rate earlier this year will be followed by a further 5% reduction to its average termination rates next year. O2 have indicated that they plan to introduce reductions in average termination rates of CPI minus 8% both this year and next year.

Previous reductions in mobile termination rates by Vodafone and O2 have been followed by reductions in the retail price of calls from fixed lines to Vodafone and O2 mobile phones.

**ENDS**

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