



Commission for  
**Communications Regulation**

## Information Notice

### **Implementation of EU Roaming Regulation by Irish Mobile Companies**

**7<sup>th</sup> wave of Irish and EU aggregated roaming data**

<b>Document No:</b>	<b>11/47</b>
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## 1 Introduction

### Background

The first Regulation on International Roaming Services was published on 29 June 2007, (EC) No 717/2007<sup>1</sup> roaming on public and mobile telephone networks within the Community (the Roaming Regulation). This Regulation primarily capped charges for wholesale and retail voice calls (made and received) while roaming in the EU and also introduced pricing transparency measures to benefit consumers who roam in the EU. In addition to this, the Minister for Communications, Energy and Natural Resources made Regulations in December 2007 designating the Commission for Communications Regulation (ComReg) as the National Regulatory Authority for the purpose of the Regulations - S.I. 792 of 2007 - Communications (Mobile Telephone Roaming) Regulations 2007<sup>2</sup>.

The collection of data for monitoring purposes by National Regulatory Authorities (NRAs) is a requirement of the Roaming Regulation. The Body of European Regulators for Electronic Communications (BEREC) coordinates the regular data collection exercise from all NRAs. BEREC's 7th International roaming report BoR (11) 21 was published in May 2011<sup>3</sup>.

### The 2009 amended Regulation

In May 2008, the European Commission launched a public consultation on the functioning of the 2007 Roaming Regulation. The Regulation was extended in duration and scope and the amending Roaming Regulation, (EC) No 544/2009<sup>4</sup>, was published in the Official Journal of the European Union on 29 June 2009. In light of these amendments, the Irish Roaming Regulations were also amended, S.I. No 156 of 2010

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<sup>1</sup> [http://eur-lex.europa.eu/LexUriServ/site/en/oj/2007/l\\_171/l\\_17120070629en00320040.pdf](http://eur-lex.europa.eu/LexUriServ/site/en/oj/2007/l_171/l_17120070629en00320040.pdf)

<sup>2</sup> <http://www.dcenr.gov.ie/NR/rdonlyres/3921AE72-2DA0-4A26-96D9-971035ED491E/O/MobileTelephoneRoamingRegulationsSI792of2007doc.pdf>

<sup>3</sup> <https://irgnet.irg.eu/render.jsp?categoryId=8710>

<sup>4</sup> <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:167:0012:0023:EN:PDF>

Communications (Mobile Telephone Roaming) (Amendment) Regulations<sup>5</sup>. The amended Regulations introduced the following measures, which remain in place until 2012:

- Further decreases in the wholesale and retail voice roaming caps
- Wholesale and retail roaming price caps for SMS (text message)
- Wholesale price cap for data roaming
- Retail transparency measures to protect consumers from roaming “bill shock”
  - Introduction of a default data roaming limit of €50.00 ex VAT. Consumers can choose an alternative limit, if offered by their operator or no limit.
  - Mobile operators must provide a warning message when customers are near to reaching the data roaming limit for their account. Customers cannot use any more data when their limit has been reached unless they give their consent to continue to use data roaming.
- No charge for receipt of a voicemail message (i.e. for someone to leave a voice message on your phone) while roaming

Further information on the regulatory requirements with respect to mobile roaming, including details of the current review by the European Commission, is outlined in Section 4 of this document.

### **Publication of Data**

This is the 7th information note, regarding roaming, published by ComReg and it relates to the data collection period 1 July 2010 – 31 December 2010. Data from previous periods are included for comparative purposes.

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<sup>5</sup> <http://www.dcenr.gov.ie/NR/rdonlyres/C53F1097-2F6D-4FDB-A222-F1211C5FF156/0/RoamingSI156of2010.pdf>

## 2 Key points

A comprehensive set of data was requested by all NRAs from national operators. The following key points relate to the data collected, by ComReg in respect of Irish operators, for the periods 1 July 2010 to 31 December 2010.

### Voice calls

- Irish retail roaming prices for voice calls made and received continue to indicate compliance with the regulatory price ceilings (Figures 1 and 2).
- Ireland's "Eurotariff" price per calls made and received and the price for the rest of the world (calls made while outside the EU/EEA) have been lower than the EU/EEA average over most of the reported periods (Figures 3 and 4).
  - Ireland's "Eurotariff" price for calls made was lower than the EU average in Q1, Q3 and Q4 2010.
  - Ireland's "Eurotariff" price for calls received was lower than the EU average in each quarter of 2010.
- Although it has declined over the last couple of years, the surcharge for Ireland's billed prices for retail "Eurotariff" calls made is above the EU/EEA average (Figure 10).

### Text Messages

- The retail price for sending a text message while roaming remains at the regulated cap of 11 cents (excluding VAT). This compares to an EU/EEA average of 10 cents (excluding VAT) per text message sent while roaming (Figure 5).

### Data

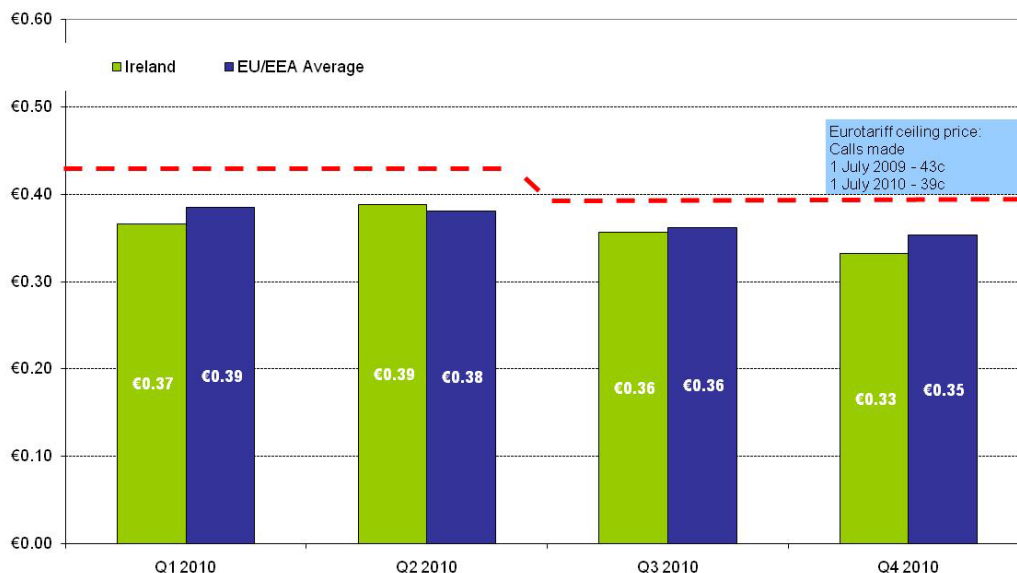
- Volumes of retail data roaming traffic (pre and post-paid) have grown strongly over the reported periods. Volumes for Ireland were over 3 times higher in Q4 2010 compared with Q4 2008. In comparison, in Q4 2010, EU/EEA average volumes of retail data traffic were less than two times as high as Irish volumes (Figure 12).

- Ireland's aggregate wholesale roaming price per megabyte (MB) of data among non-group companies (46 cents in Q4 2010) remains below the regulated price cap of 80 cents but is higher than the EU/EEA average (34 cents in Q4 2010), (Figure 7).
- There is no cap in place for retail data roaming prices. For the period Q4 2010, Ireland's average pre-paid data roaming retail price per MB (€4.28) is more than three times higher than the average post-paid data roaming retail price per MB (€1.25), (Figure 6).
- Ireland's pre-paid retail non-group data roaming prices are higher than the EU/EEA average, however, Ireland's post-paid non-group data roaming prices are below the EU/EEA average (Figure 6).

### 3 Analysis of Irish data

Figure 1

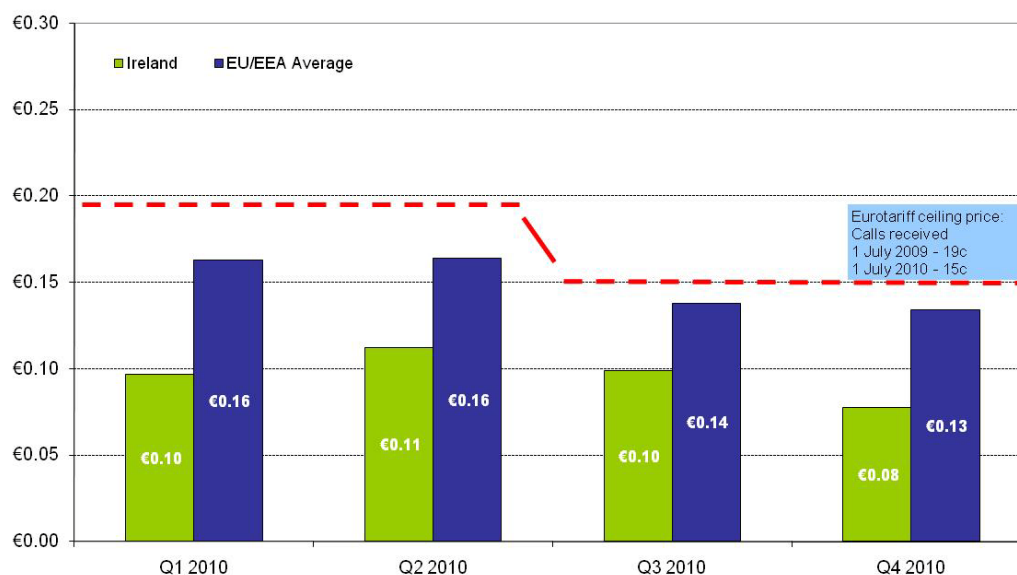
EU/EEA Eurotariff Average Retail Price Per Minute of Voice Calls Made (Pre and Bill Pay) - Billed Minutes



Ireland's "Eurotariff" for calls made remained below the regulated tariff in 2010. These prices were also marginally below the EU/EEA average for all periods except in Q2 2010.

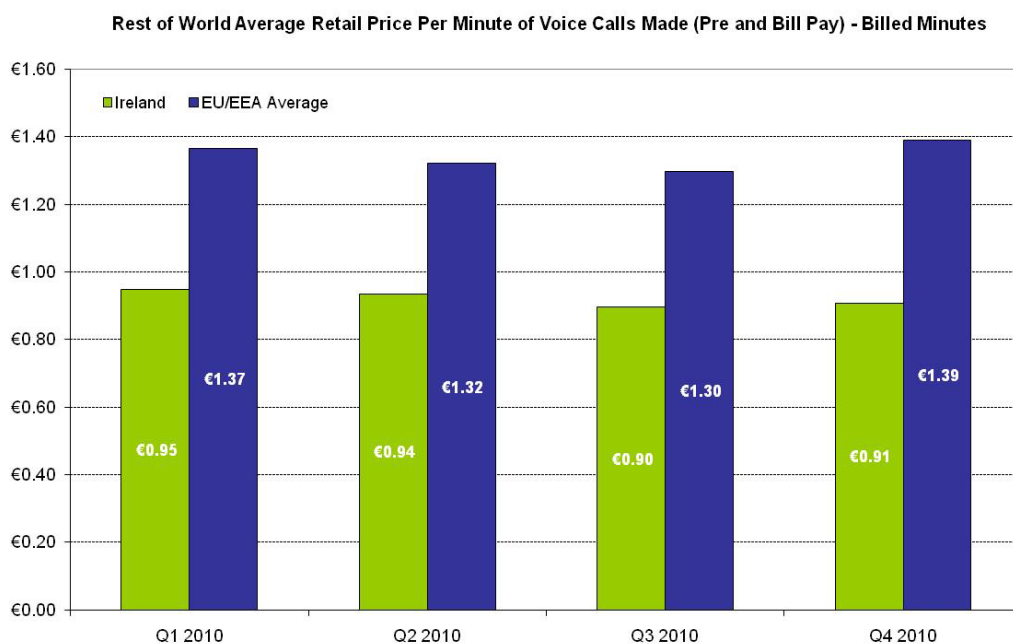
Figure 2

EU/EEA Eurotariff Average Retail Price Per Minute of Voice Calls Received (Pre and Bill Pay) - Billed Minutes



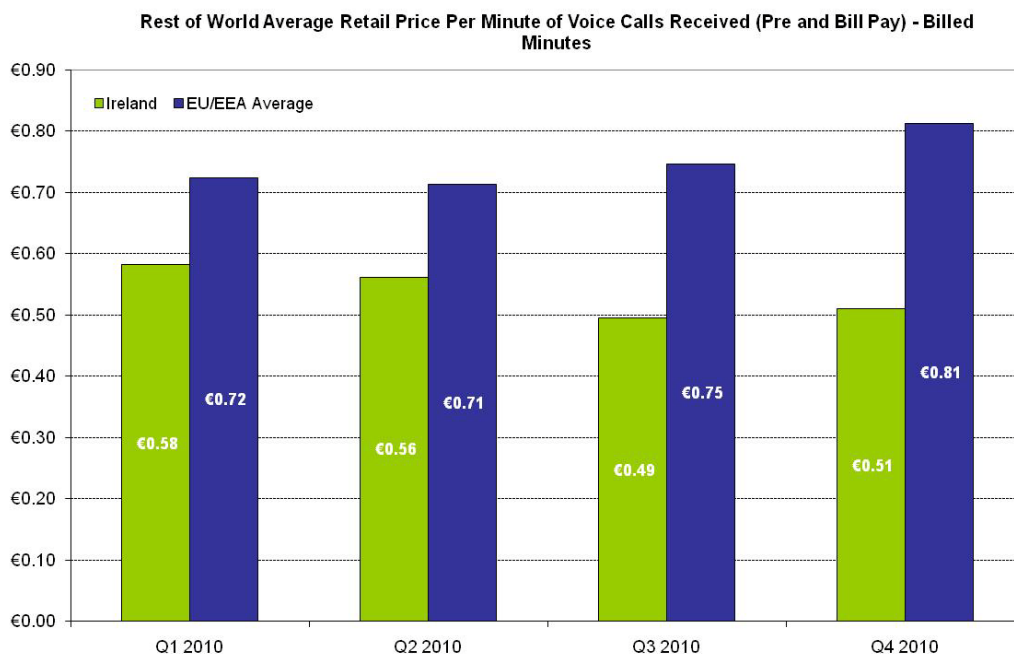
Ireland's "Eurotariff" for calls received are well below the regulated tariff and the EU/EEA average price. This is, in part, a reflection of favourable price tariffs in some of these countries.

**Figure 3**



Ireland's average price for making calls outside the EU/EEA is cheaper than the EU/EEA average. Ireland's price averaged around 92 cents over 2010 compared to an EU/EEA average of €1.34.

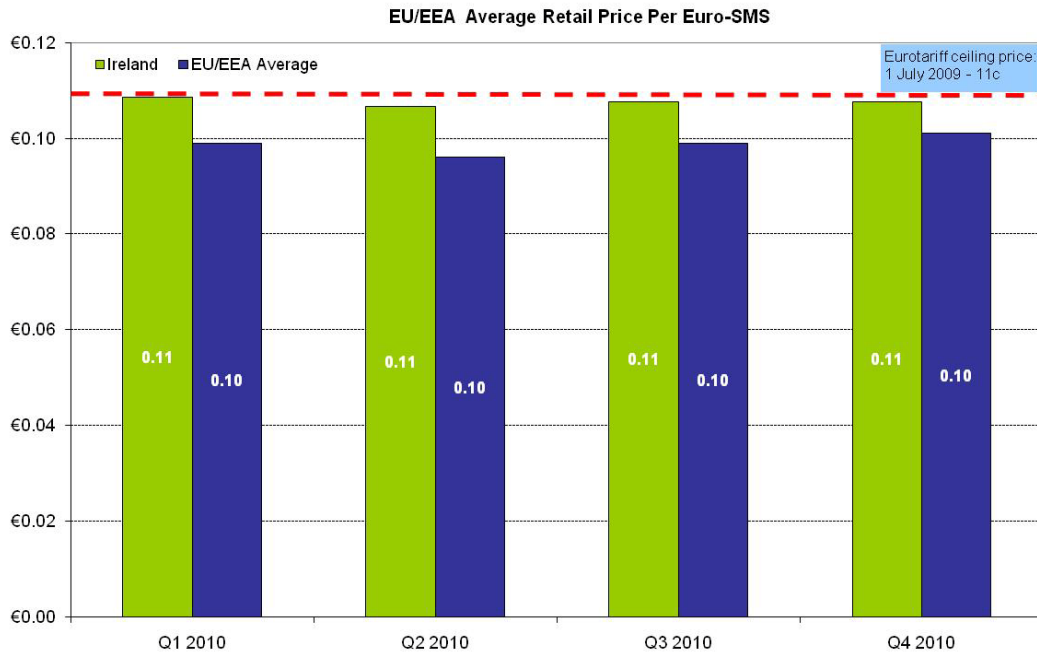
**Figure 4**



As per calls made, the average price in Ireland for receiving a call from outside of the EU/EEA is cheaper than the EU/EEA average, averaging 54 cents over the reported periods compared to an EU/EEA average of 75 cents.

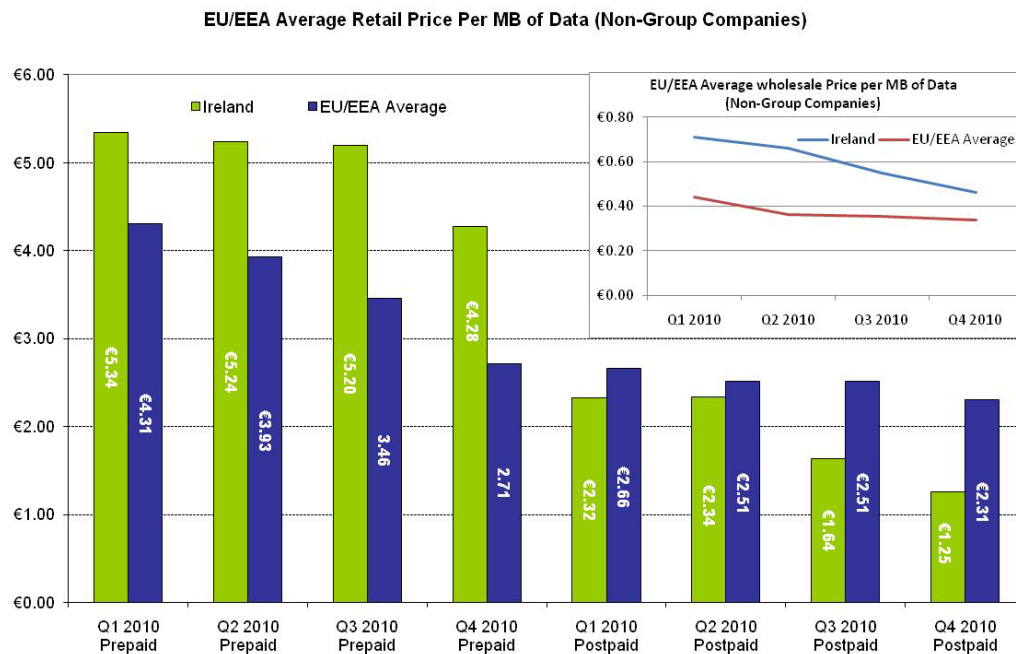


Figure 5



Ireland's average price for sending a "Eurotariff" text message has remained just below the regulated cap of 11 cents in 2010, slightly higher than the EU/EEA average. This cap was introduced from the 1<sup>st</sup> of July 2009.

Figure 6

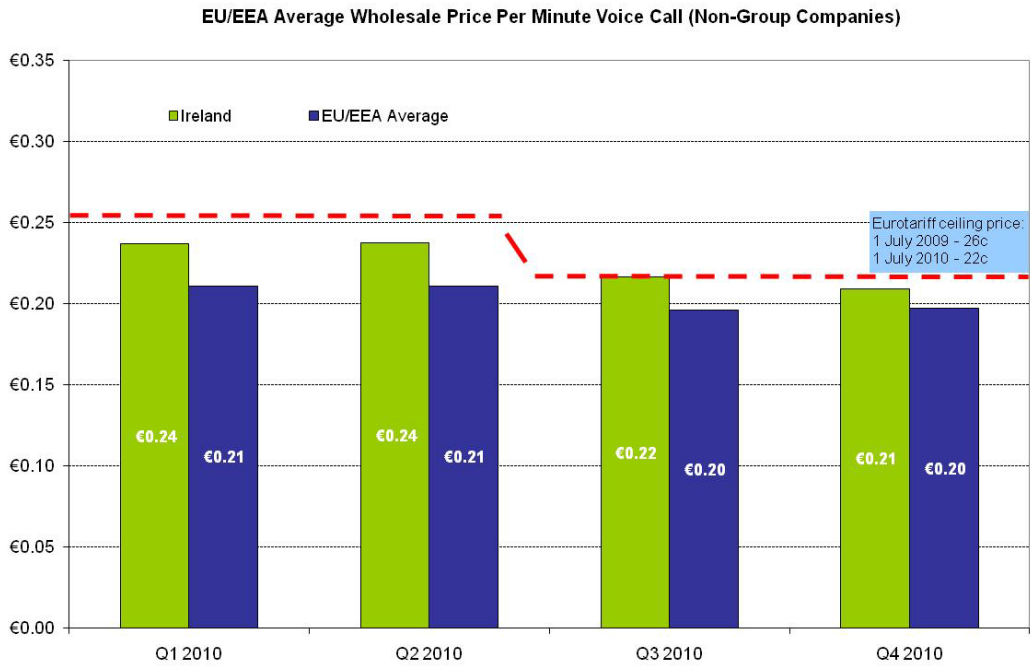


Ireland's retail price per MB of data has varied over the reported periods reflecting customer movements to bundled tariffs. Ireland's pre-paid price has been higher than the EU/EEA average in 2010; however, Ireland's post-paid price has been lower than the EU/EEA average. The average wholesale roaming data prices (see insert) shows the trend and level of wholesale prices, which are subject to a price cap.

Note: The wholesale price is what operators charge each other for data traffic on their networks and the retail price is the charge to the customer.

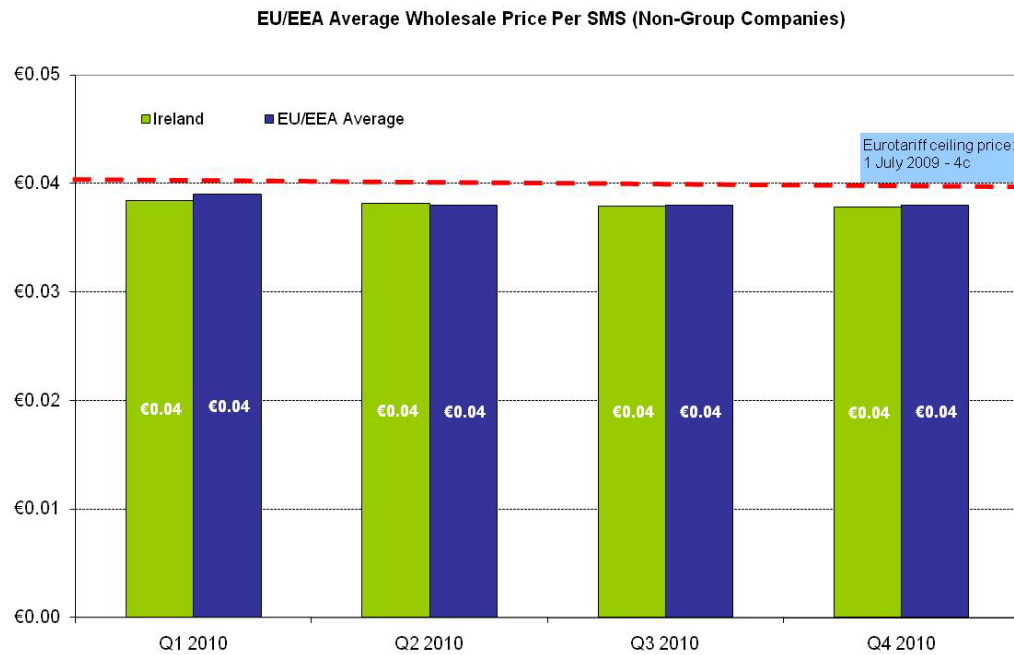
Non-group traffic means traffic between entities that are not within the same group where such entities are fully-owned or majority-owned by the group.

Figure 7



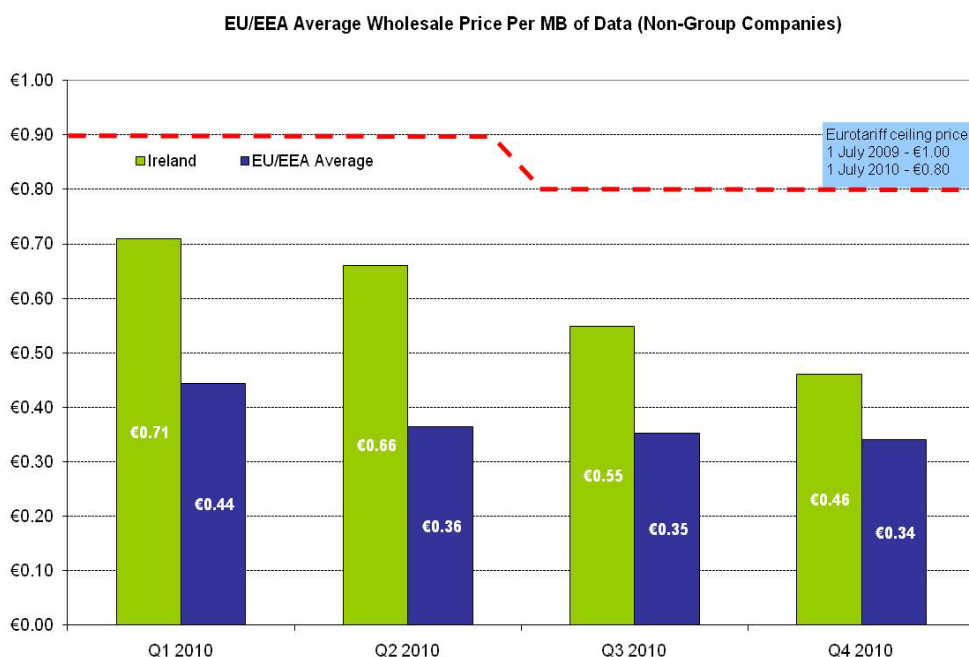
Although Ireland's wholesale price per call made has been at or below the regulated cap over the reported periods, prices have remained marginally above the EU/EEA average.

Figure 8



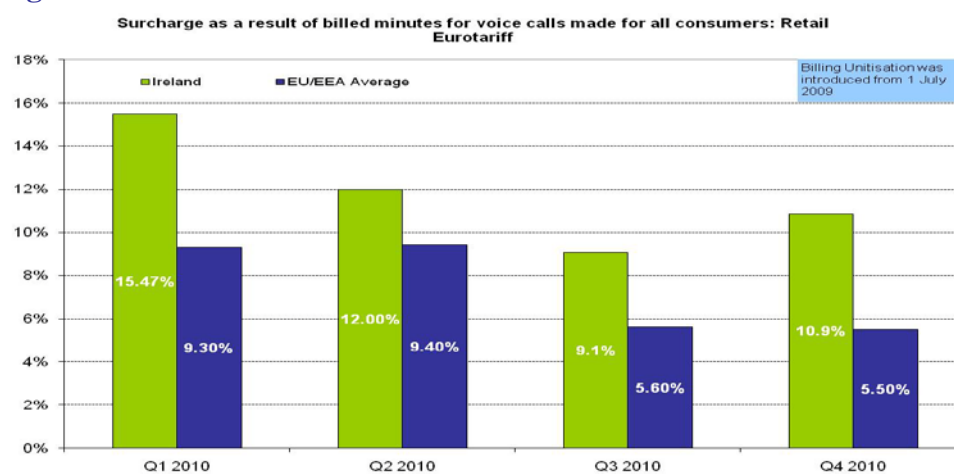
Ireland's wholesale price per SMS has been at similar levels to the EU/EEA average over the reported periods. A regulated cap of 4 cents was introduced as of the 1<sup>st</sup> of July 2009.

Figure 9



Following the introduction of a €1 regulated price cap in July 2009 and an 80 cent cap in July 2010, the average price per MB of data among Irish mobile operators has declined significantly; however, prices have remained above the EU/EEA average.

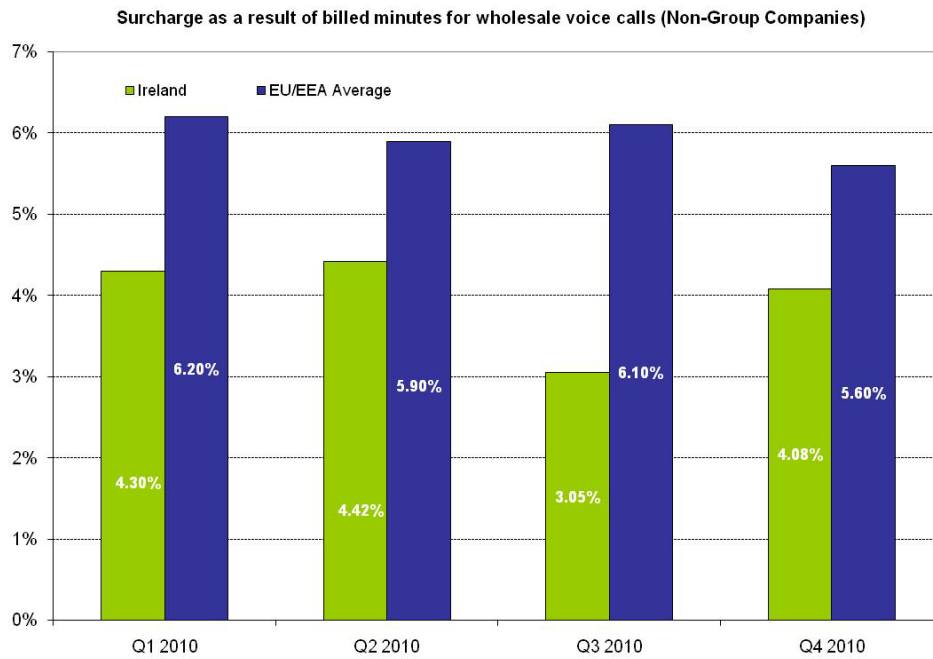
Figure 10



This chart shows the retail price percentage deviation arising from operator billing on a per minute basis as opposed to the price which would be incurred if billed on a per second basis (actual usage). While the Irish percentage deviation for calls made is above the EU/EEA average it has declined significantly, from 39% in Q1 2009 to 11% in Q4 2010. This is a reflection of the introduction of billing unitisation regulation. While the regulation allows for per second billing for calls received, an initial 30 seconds charge is incurred for calls made, irrespective of the length of the call. Per second billing applies thereafter. <sup>6</sup>

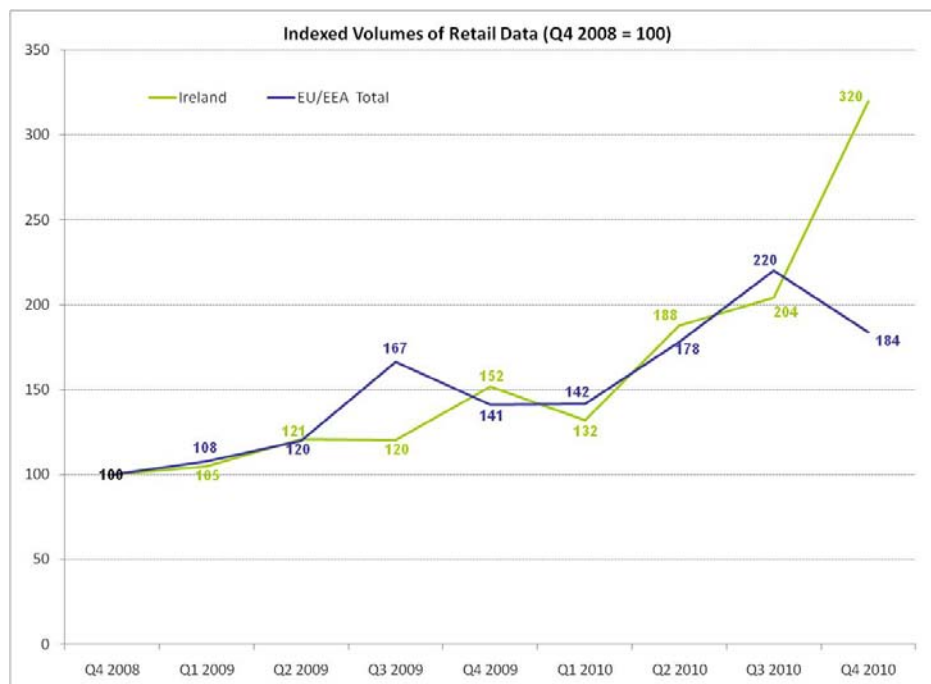
<sup>6</sup> Data received from Irish operators indicates that a substantial number of calls made with their networks are less than 30 seconds which, compared to the EU/EEA average, results in a higher disparity between the prices that one would pay for actual calls compared to their billed calls. In addition, one operator included a regional tariff which, though under the regulated price cap, is billed on a per minute basis. This has contributed to the reported surcharge size. This data will not be considered as a "Eurotariff" charge in future reporting and so ComReg expects the surcharge will fall once this adjustment has been made in future reports.

**Figure 11**



This chart is similar to figure 10 but reflects pricing disparities at a wholesale level. For Ireland, the surcharge has remained below the EU/EEA average throughout 2010.

**Figure 12**



The volume of retail roaming data on Irish mobile networks has been growing substantially over the reported periods. Retail data volumes in Ireland were approximately 3 times higher in Q4 2010 than they were in Q4 2008. In comparison, in Q4 2010 EU/EEA average volumes of retail data traffic were less than two times as high as Irish volumes.

## 4 EU regulatory requirements

### 2.1 Requirements 2007-2012

Note: All prices are quoted excluding VAT

Requirements by all mobile operators	30 Aug 2007	30 Aug 2008	1 July 2009	1 July 2010	1 July 2011
"Eurotariff" retail limit for voice calls made	0.49	0.46	0.43	0.39	0.35
			Per second billing applies with the option to apply a 30 second minimum charge for calls made.		
"Eurotariff" retail limit for voice calls received	0.24	0.22	0.19	0.15	0.11
			Calls received are charged on a per second basis.		
Wholesale limit for voice calls made	0.30	0.28	0.26	0.22	0.18
Pricing transparency	Mobile operators to send a free SMS to their consumers with pricing details for making and receiving a call when roaming in the EU.		From 1 July 2009 the free pricing transparency SMS will include pricing details for SMS, MMS and Data. The SMS will also include information on how to receive more detailed pricing information and information on the European emergency number 112.		
"Eurotariff" SMS retail price limit	N/A	N/A	0.11	0.11	0.11
"Eurotariff" SMS wholesale price limit	N/A	N/A	0.04	0.04	0.04
Wholesale data price limit (per megabyte)	N/A	N/A	€1.00	0.80	0.50
Data bill shock measures	N/A	N/A	N/A	<p><b>1 March 2010</b> Ability for consumers to opt in to €50.00 (ex VAT) data roaming limit.</p>	<p><b>From 1 July 2010</b> Automatic opt in for all consumers to €50.00 (ex VAT) data roaming limit. Consumers can choose an alternative limit or no limit.</p>
				Consumers will receive a warning message when they are near to reaching their roaming limit set for their account. Customers cannot use any more data when their limit has been reached unless they give their consent to continue data roaming.	
Voicemail	N/A	N/A	N/A	No charge to consumer to receive a voicemail message.	

### 2.1.1 Review of the amended Regulation - 2011

The amended Roaming Regulation (EC) 544/2009 expires on 30 June 2012. The European Commission (EC) must complete its review and report on the functioning of that Regulation to the European Parliament and Council by no later than 30 June 2011. In accordance with Article 11 of the Regulation, in its review the EC has considered a number of factors including:

- Developments in wholesale and retail roaming prices
- The availability and quality of roaming services including alternatives for consumers
- The extent to which consumers have benefited from reductions in prices and the variety of offers available to them
- The degree of competition in the wholesale and retail roaming markets
- The possibility of extending the regulation to include a retail data price cap

The deadline for responses to the DG Information Society and Media's public consultation<sup>7</sup> seeking stakeholders' views on the functioning/effectiveness of the amended Roaming Regulation was 11 February 2011. This consultation forms a key part of the EU Commission's review of the amended regulation. The E C's full report on the future of the regulation is due by 30 June 2011.

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[http://ec.europa.eu/information\\_society/policy/ecommm/doc/library/public\\_consult/roaming/roaming\\_consultation.pdf](http://ec.europa.eu/information_society/policy/ecommm/doc/library/public_consult/roaming/roaming_consultation.pdf)

## **5 Legal basis**

Article 7 of the Roaming Regulation (EC) NO 717/2007 requires NRAs to monitor developments in charges and to report to the European Commission every six months. Article 7(2) of the Regulation requires NRAs to make up-to-date information on the application of the Regulation publicly available. This Information Notice is published for this purpose.

As a Regulation of the European Parliament and the Council of the European Union, the requirements are directly applicable. In addition, the Minister for Communications, Energy and Natural Resources made Regulations in December 2007 designating ComReg as the National Regulatory Authority for the purpose of the Regulation.