



Commission for
Communications Regulation

Information Notice

Implementation of EU Roaming Regulation by Irish Mobile Companies

6th wave of Irish and EU aggregated roaming data

Document No:	10/97
Date:	2 December 2010

Contents

1	Introduction	2
2	Key points	5
2.1	DATA COLLECTION	5
2.2	CONSUMER RESEARCH.....	5
3	Analysis of Irish data	8
4	EU Regulatory Requirements 2007-2011	14
5	Legal Basis	15

1 Introduction

Background

The first Regulation on International Roaming Services was published on 29 June 2007 - (EC) No 717/2007 roaming on public and mobile telephone networks within the Community¹. 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 2007².

The collection of data for monitoring purposes by National Regulatory Authorities (NRAs) is a requirement of the Roaming Regulation. Individual NRAs are required “to monitor developments in wholesale and retail charges” for voice calls, SMS and data charges. The Body of European Regulators for Electronic Communications (BEREC) coordinates the regular data collection exercise from all NRAs. BEREC’s 6th International roaming report BoR (10) 50³ was published in October 2010.

Publication of Data

This is the 6th information note, regarding roaming, published by ComReg and it relates to the data collection period 1 January 2010 – 30 June 2010. Data from previous periods is included for comparative purposes.

¹ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:171:0032:0040:EN:PDF>

² <http://www.attorneygeneral.ie/esi/2007/B25821.pdf>

³

[http://www.irg.eu/streaming/BoR%20\(10\)%2050%206th%20International%20Roaming%20data%20report_final.pdf?contentId=546972&field=ATTACHED_FILE](http://www.irg.eu/streaming/BoR%20(10)%2050%206th%20International%20Roaming%20data%20report_final.pdf?contentId=546972&field=ATTACHED_FILE)

Section 2 summarises the key points in relation to the data presented. Section 3 provides details of roaming pricing, including voice calls made and received rest of world calls, pricing for SMS, data charges and surcharges for billed calls.

Consumer Research

In order to examine the current behaviour and attitudes of Irish mobile phone owners when roaming in Europe, ComReg recently commissioned research, from Ipsos MRBI. The key points in relation to this research are presented in Section 2. The findings of the survey are published separate to this report.

The 2009 amended Regulation

In May 2008, the European Commission launched a public consultation on the functioning of the 2007 Roaming Regulation. Subsequently, the Regulation was extended in duration and scope and the amending Roaming Regulation, (EC) No 544/2009⁴, 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 Communications (Mobile Telephone Roaming) (Amendment) Regulations 2010⁵. The amended Regulations introduced the following measures:

From 1 July 2009 to 30 June 2012:

- Further decrease on voice roaming cap at both a retail and wholesale level
- Introduction of a roaming price cap for SMS (text message) at a retail and wholesale level
- Introduction of a wholesale roaming price cap for data roaming

And from July 2010 to July 2012:

- Retail transparency measures to protect consumers from “bill shock”
- No charge for receipt of a voicemail message

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

⁵ <http://www.irishstatutebook.ie/2010/en/si/0156.html>

Further information on the regulatory requirements with respect to mobile roaming is outlined in Section 4 of this document.

2 Key points

2.1 Data collection

A comprehensive set of data was requested by all National Regulatory Authorities (NRAs) from national operators. The following key points relate to the data collected for the periods 1 January 2010 to 30 June 2010.

- Irish retail roaming prices for calls made and received continue to indicate compliance with the regulatory price ceilings.
- Ireland's "Eurotariff" and rest of the world calls made and received have been lower than the EU/EEA average over most of the reported periods.
- The retail price for sending a text message while roaming remains below the regulated cap of 11 cents (excl VAT; in Ireland 13 cents including VAT).
- Ireland's pre-paid retail non-group roaming data prices are higher than the EU/EEA average but Ireland's post-paid prices are below the EU/EEA average.
- Volumes of retail roaming data traffic have grown strongly over the reported periods. Between Q4 2008 and Q2 2010, volumes had grown by 88% compared to an EU/EEA average of 78%.
- Ireland's aggregate roaming wholesale price per megabit of data among non-group companies remains below the regulated price cap of one euro but is higher than the EU/EEA average.

2.2 Consumer research

In September 2010, ComReg commissioned roaming research, from Ipsos MRBI, in order to examine the current behaviour and attitudes of mobile phone owners when

roaming in Europe. 1,007 face-to-face consumer and business age 15 + interviews were conducted. This research will feed into the EU Commission's review of the Roaming Regulation in 2011.

The main points relating to the research findings include:

- The majority of respondents surveyed can be classified as moderate travellers to Europe, with 66% travelling once or twice a year. Of those who travelled in the last year, the majority travelled to Spain (31%) while 29% travelled to Great Britain (including Northern Ireland).
- Roaming related usage including mobile internet considerations do not feature heavily for consumers when choosing a home mobile phone network provider.
- While the costs of calls and text messages when abroad were important for at least 3 in 10 mobile phone owners, picture messaging and internet usage when abroad were much less important as factors when choosing a network provider.
- The vast majority of consumers endeavour to curtail their phone usage when they travel to Europe, for example respondents made less personal calls than when at home.
- Among those who have travelled to Europe in the last year, texting is cited as the main way to reduce mobile roaming costs.
- While almost half of respondents recognise that it has become cheaper to use their mobile phone while in Europe, the majority (57%) do not believe it is easy to find information about roaming costs.
- More than 30% of roaming respondents believe that the cost of using aspects of mobile phone roaming functionality was greater than they expected (voice calls, mobile internet, MMS).

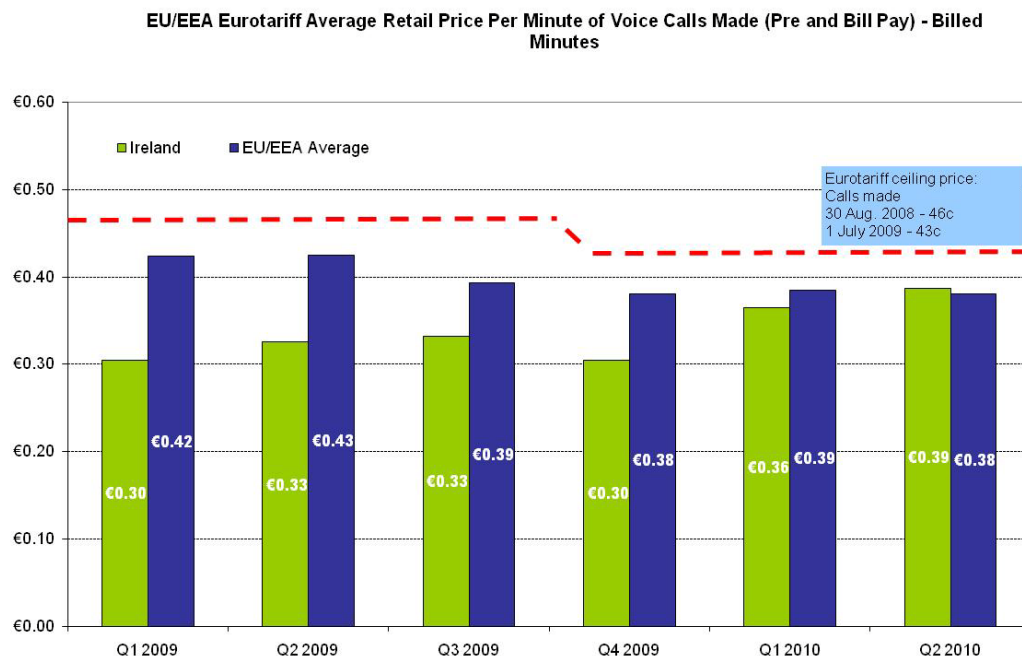
- Infrequent travellers do not feel the need to purposefully reduce their roaming costs while many others feel the ways to reduce costs are too much hassle or complicated.
- Overall, there is a significant lack of understanding and awareness about roaming charges. It should also be noted also that the majority of consumers are of the view that there is a charge for receiving text messages when roaming in the EU/EEA.
- There is a very low level of understanding about how data roaming charges are calculated and about the data required for various roaming functions.
- Almost 30% of those with bill phones stated that they have experienced some level of mobile roaming “bill shock”.

The full roaming research report is published in document ComReg 10/97a.

3 Analysis of Irish data

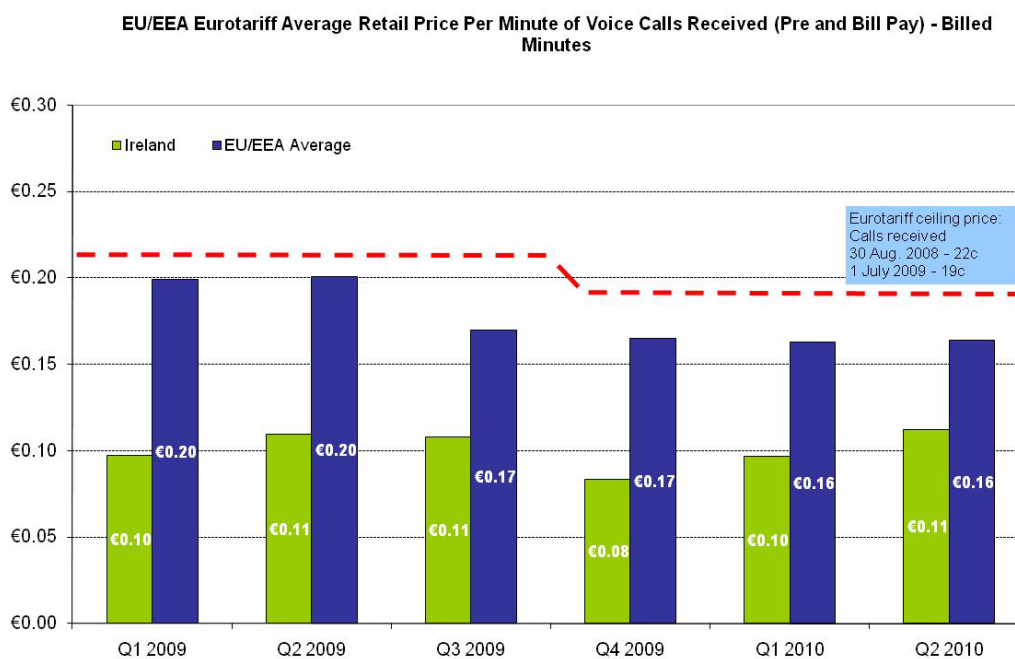
Note all prices quoted are Excluding VAT

Figure 1



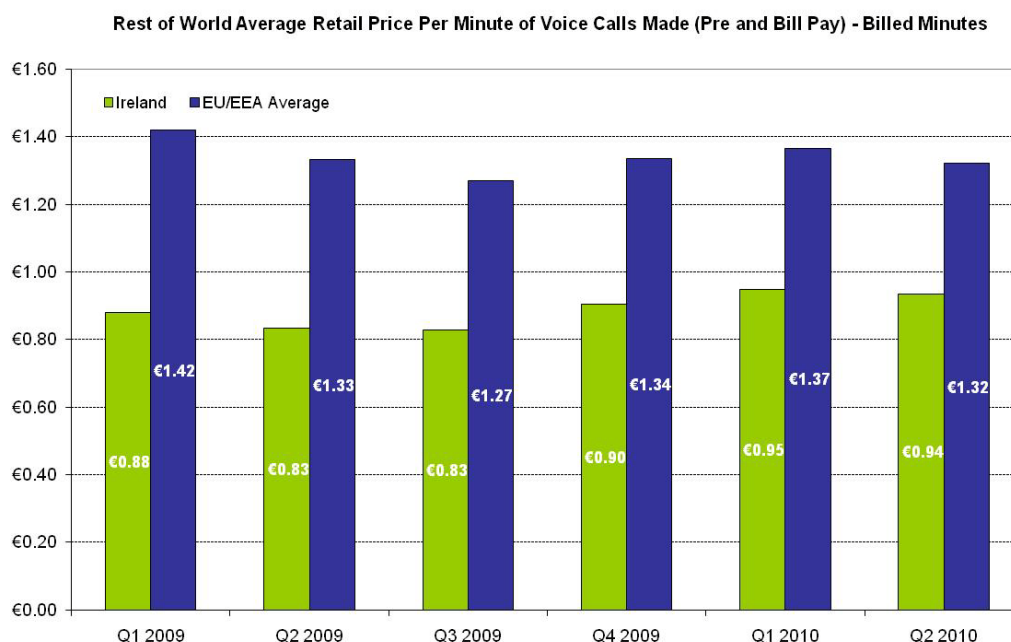
Ireland's "Eurotariff" for calls made remained below the regulated tariff in 2009 and the first half of 2010. These prices were also below the EU/EEA average for all periods except Q2 2010. (Periods Q3 and Q4 2009 have been revised, due to one operator's data revision.)

Figure 2



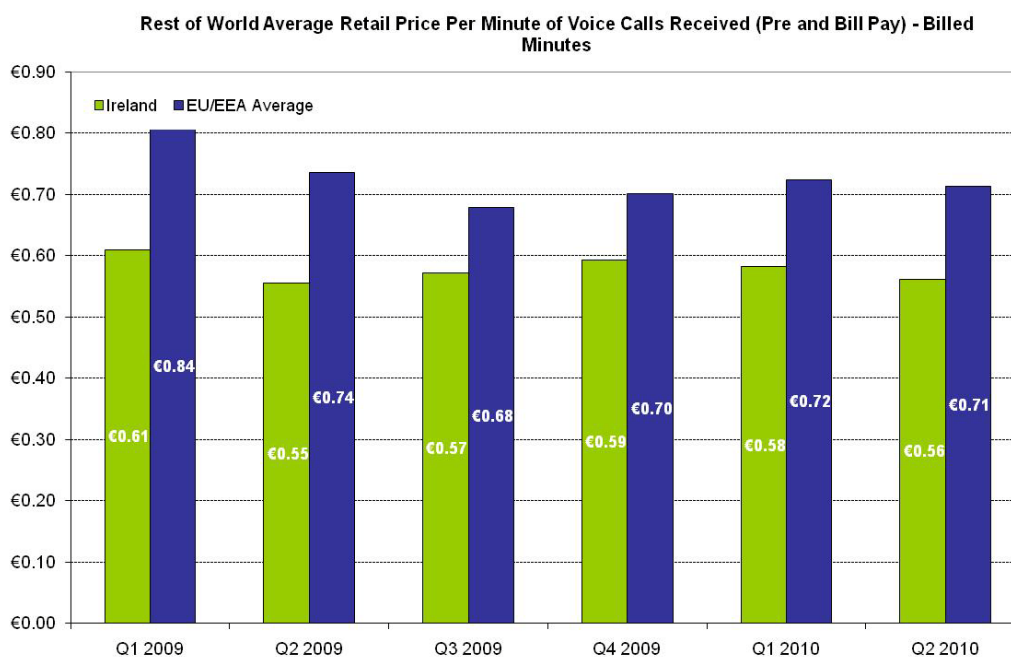
Ireland's "Eurotariff" for calls received when roaming is substantially below the regulated tariff. This is in part a reflection of favourable price tariffs provided by Irish mobile operators in some EU countries.

Figure 3



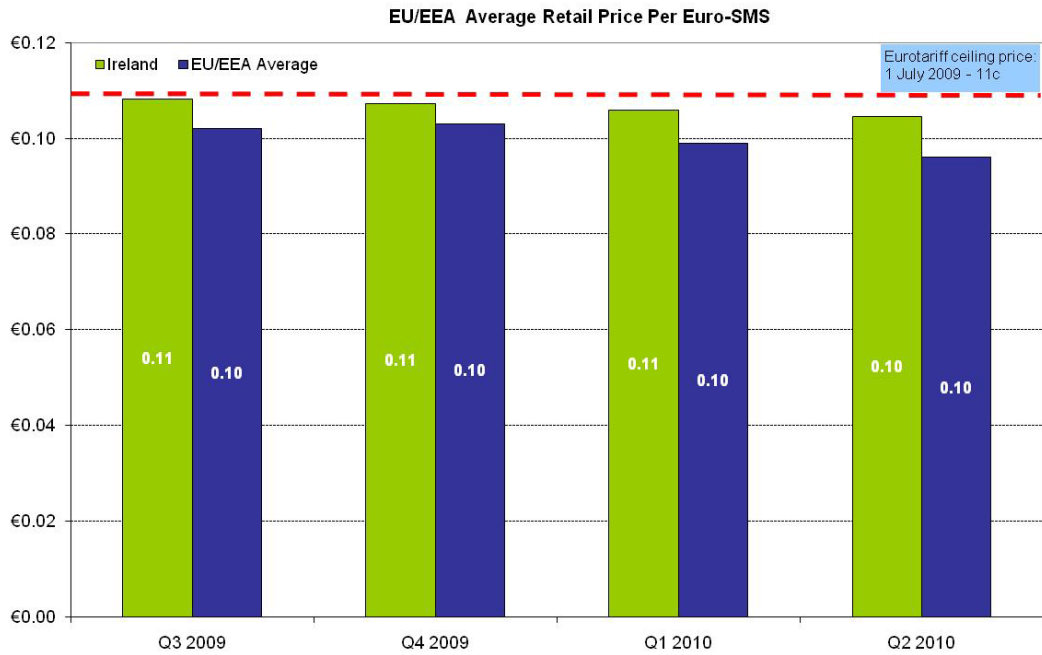
Ireland's average price for making roaming calls outside the EU/EEA is cheaper than the EU/EEA average. Ireland's price averaged around 89 cents over the reported periods shown above compared to an EU/EEA average of €1.34.

Figure 4



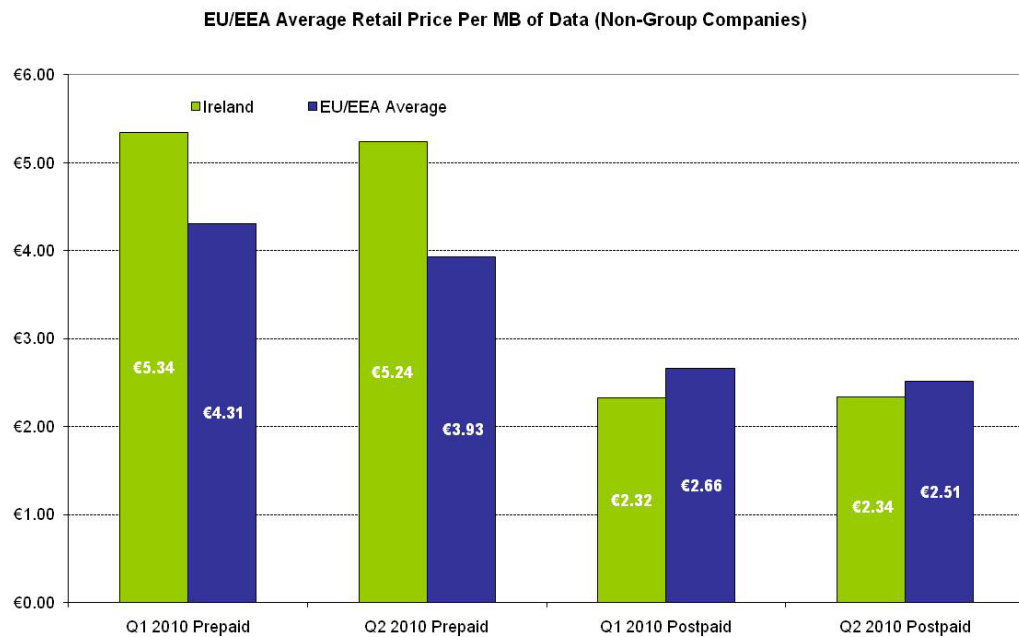
As per calls made, the average price in Ireland for receiving a call from outside of the EU/EEA is cheaper than the EU/EEA average, averaging 58 cents over the reported periods shown above compared to an EU/EEA average of 73 cents.

Figure 5



Ireland's average price for sending a "Eurotariff" text message was just below the regulated cap of 11 cents over the reported periods slightly higher than the EU/EEA average. This cap was introduced in Q3 2009

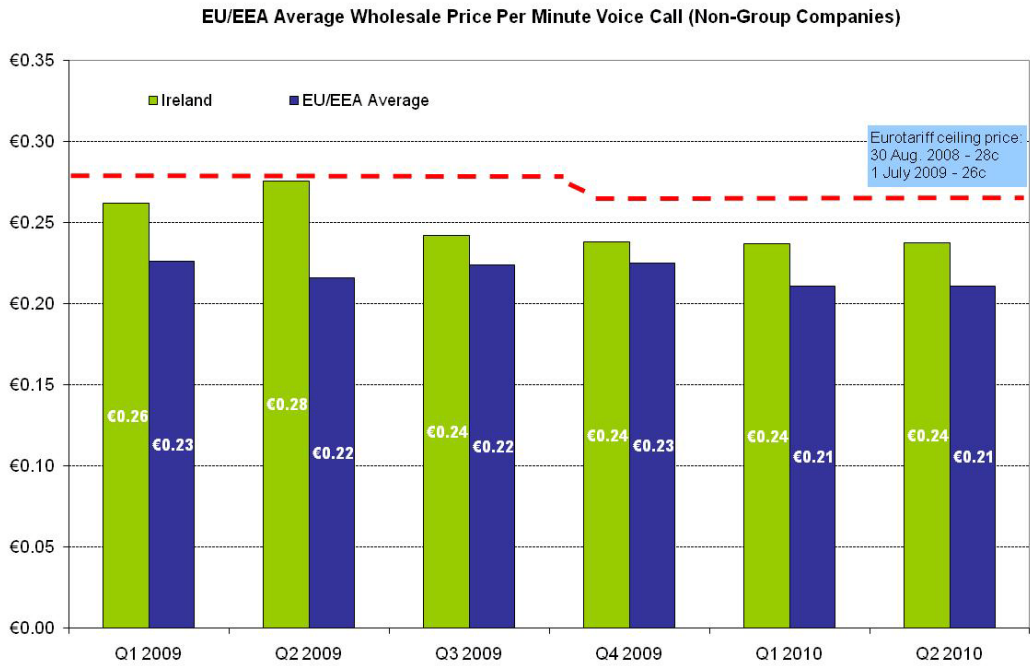
Figure 6



Ireland's retail price per MB of data, while roaming, has varied over the reported periods reflecting customer movements to bundled tariffs. Ireland's pre-paid average price has been higher than the EU/EEA average over the reported periods but Ireland's post-paid average price has been lower than the EU/EEA average.

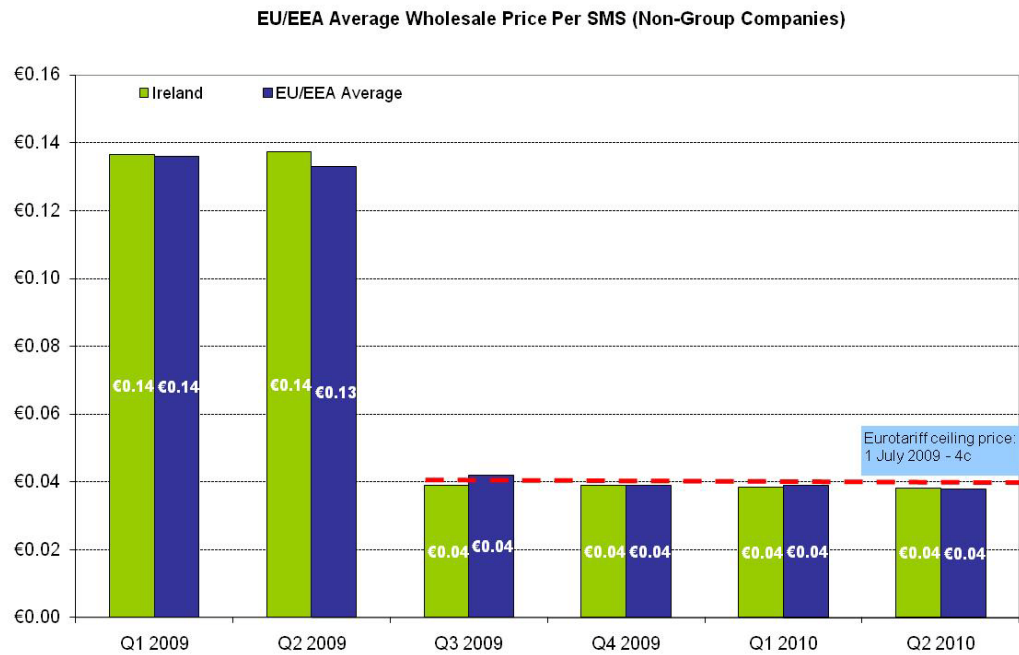
Note: Non-group traffic means traffic between entities that are not within the same group where such entities are fully owned or majority-owned by the group.

Figure 7



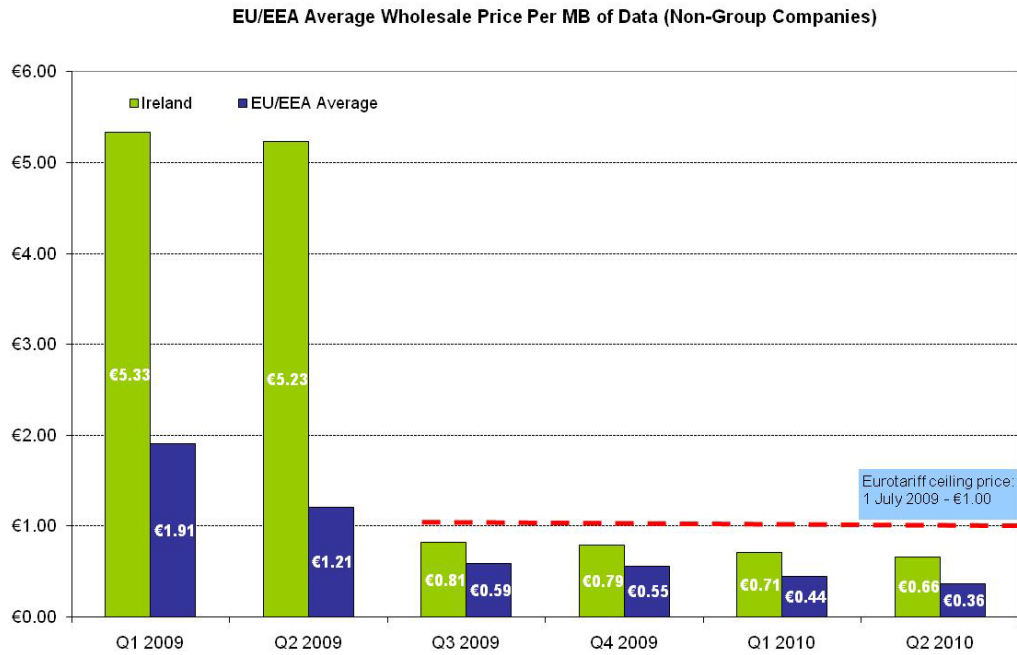
Although Ireland's average wholesale price per roaming call made has been at or below the regulated cap over the reported periods, average prices have remained above the EU/EEA average.

Figure 8



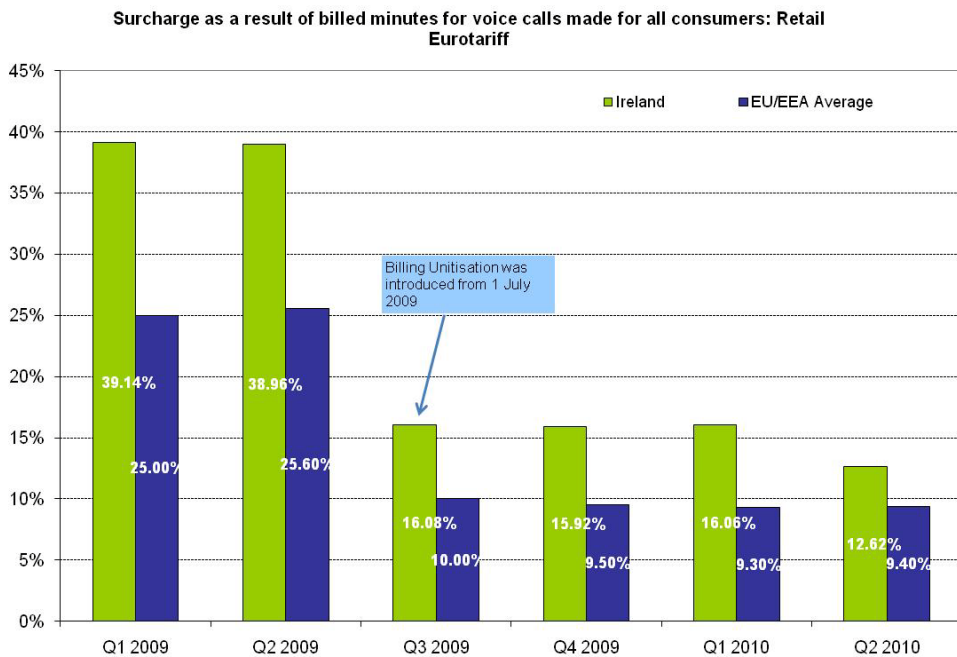
Ireland's average wholesale price per roaming SMS has been at similar levels to the EU/EEA average over the reported periods. A regulated cap of 4 cents introduced as of July 2009 has led to a substantial fall in these prices across the EU/EEA countries.

Figure 9



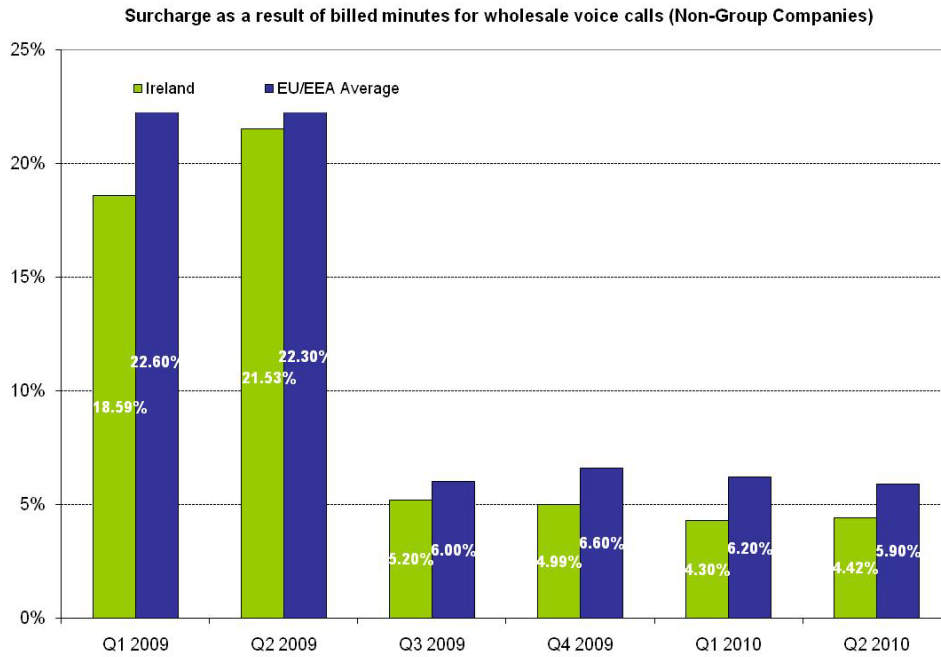
At a wholesale level, the average price per MB of data, while roaming, among Irish mobile operators was well above the EU/EEA average in both Q1 and Q2 2009. However, following the introduction of a €1 regulated price cap in July 2009, prices have declined significantly.

Figure 10



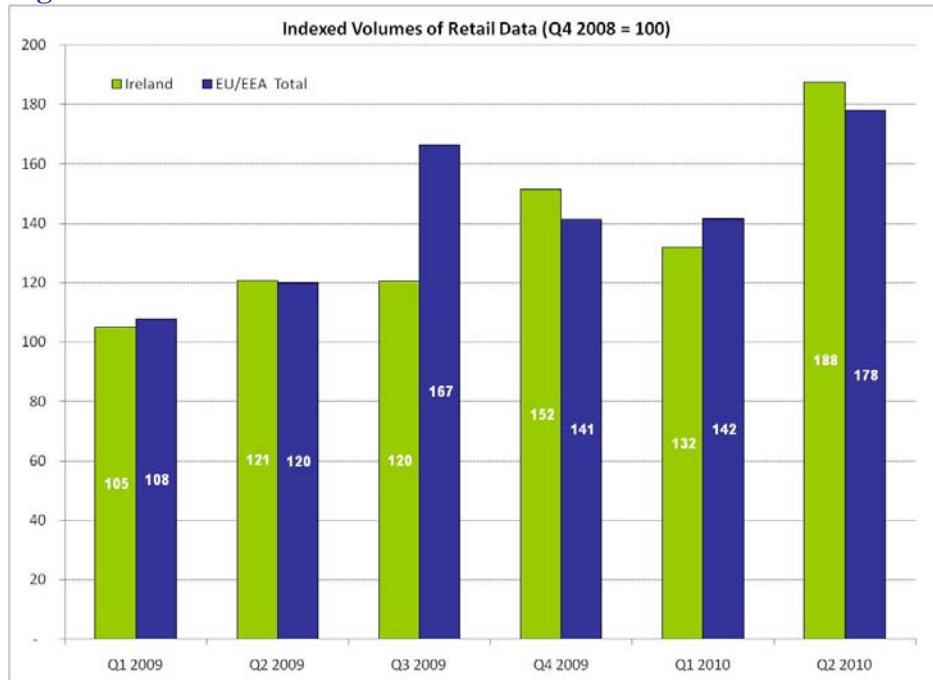
This chart shows the retail price percentage deviation arising from operators billing for roaming voice calls made on a per minute basis (prior to 1 July 2009) as opposed to the price which would be incurred if calls were billed on a per second basis (actual usage). While the Irish percentage deviation for calls made is above the EU/EEA average it has declined significantly between Q1 2009 and Q2 2010. This is a reflection of the introduction of billing unitisation regulation on 1 July 2009. Data from Irish operators suggests a substantial proportion of "Eurotariff" calls made are shorter than 30 seconds. Per second billing applies thereafter after an initial call charge for the first 30 seconds of the call. This may account for a relatively higher surcharge than the EU/EEA average. (Periods Q3 and Q4 2009 have been amended in light of an operator data revision).

Figure 11



This chart is similar as figure 10 but reflects pricing disparities at a wholesale level. For Ireland, the surcharge was below the EU/EEA average over the reported periods.

Figure 12



The volume of retail roaming data on Irish mobile networks has been growing substantially over the reported periods. Between Q4 2008 and Q2 2010, data volumes have increased by 88% compared to the EU/EEA average of 78%.

4 EU Regulatory Requirements 2007-2011

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>1 March 2010 Ability for consumers to opt in to €50.00 (ex VAT) data roaming limit.</p>	<p>From 1 July 2010 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 contact their provider	
Voicemail	N/A	N/A	N/A	No charge to consumer to receive a voicemail message.	

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.